

PURCHASING MANUAL



**St. Lucie County
Purchasing Department
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PURCHASING MANUAL

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SECTION 1	MANUAL INTRODUCTION
1.1	Purpose
1.2	Scope
1.3	Distribution
1.4	Implementation
1.5	Revisions
1.6	Recommendations
SECTION 2	GENERAL PURCHASING OVERVIEW
2.1	Value of Centralized Purchasing
2.2	Role of The Purchasing Department
2.3	Role of Operating Agencies
2.4	Role of The Finance Department
2.5	General Purchasing Policies
	Conflict of Interest
2.6	Specific Purchasing Policies and Procedures
2.7	Conflict of Interest – Federally Funded Grant Projects
SECTION 3	PETTY CASH PURCHASES
3.1	Petty Cash Policy
3.2	Petty Cash Purchase Authorization
3.3	Petty Cash Funds
3.4	Petty Cash Custodian
3.5	Petty Cash Division Procedure
3.6	Petty Cash Reimbursements
3.7	Petty Cash Year-End Reimbursement
3.8	Disallowance of Petty Cash Purchases
SECTION 4	PURCHASING CARDS
4.1	Purpose - Policies and Procedures
4.2	How It Works
4.3	Who Does What?
4.4	Assignment and Control of the Purchasing Card
4.5	Cardholder Use of Purchasing Card
4.6	Procedures for Making and Paying for Purchases
4.7	Disputes
4.8	Dispute Procedure
4.9	Review of Purchases by Department
4.10	Travel Cards
4.11	Purchasing Card Disaster Plan
SECTION 5	OUTSIDE PURCHASES
5.1	Competitive Bidding Policy
5.2	Obtaining Price Estimates
5.3	Outside Purchases Under \$20,000.00
5.4	Outside Purchases of Items of \$20,000 or More
5.5	Bid Waiver
5.6	Exempt Purchases of \$20,000 Or More
5.7	Purchase of Goods, Equipment, and Contractual Services from other Governmental Bids
5.8	Purchase Award Procedure

SECTION 6	REQUISITION PROCEDURE
6.1	Requisition Form
6.2	Requisition Preparation
6.3	Electronic Requisition Authorization
6.4	Requisition Submission
6.5	Requisition Review
SECTION 7	VENDOR SELECTION
7.1	Informal Quotations
7.2	Formal Quotations
7.3	Formal Sealed Bids
7.3A	St. Lucie County Standard Procedures for Competitive Bidding (Commodities and Contractual Services)
	Introduction
	Public Announcements
	Bid Selection Procedures
7.4	Addenda to Specifications
7.5	Request for Proposals
7.6	Public Entity Crimes
7.7	Resolution of Solicitation and Proposed Award Protests
7.8	Minority Business Participation
7.9	Authorization to Debar Vendors
7.10	Requests for Qualifications
7.11	Procurement Procedures for State or Federally Funded Grant Programs
SECTION 8	CONTRACT PROCEDURE
8.1	Contracts in The Purchasing Process
8.2	Contract Requirements
8.3	Contract Preparation
8.4	Contract Execution
8.5	Contract Recording Procedure
8.6	Issuance of Contract Purchase Order
8.7	Contract Amendments
SECTION 9	CONSTRUCTION CONTRACTS
9.1	Capital Construction Policy
9.2	Construction Proposals
9.3	Construction Contract Award
9.4	Contract Initiation
9.5	Contract Change Order
9.6	Contract Amendment
9.7	Bonding and Insurance Requirements
SECTION 10	PROFESSIONAL SERVICES CONTRACTS
10.1	Competitive Negotiations Policy
10.2	Professional Services Definition
10.3	Professional Services Authorization
10.4	Requests for Proposals
10.5	Professional Services Negotiations
10.6	Professional Service Contracts
10.7	Community Development Block Grant (CDBG) Professional Services Procurement Procedure

SECTION 11	EMERGENCY PURCHASES
11.1	Emergency Purchase Policy
11.2	Definition of An Emergency
11.3	Emergency Purchase Authorization
11.4	Emergency Purchase Over \$10,000
11.5	Emergency Purchase Follow-up
SECTION 12	PURCHASE ORDER
12.1	Purchase Order Preparation
12.2	Multiple Purchase Orders
12.3	Purchase Order Changes
SECTION 13	RECEIVING
13.1	Receiving of Orders
13.2	Receiving Report
13.3	Receiving Procedure
SECTION 14	PAYMENT PROCEDURES
14.1	Payment Authorization
14.2	Construction Contract Payment Authorization
14.3	Payment for Orders
14.4	Payment Limits
SECTION 15	TRAVEL AND EDUCATIONAL EXPENSES
15.1	Travel and Educational Reimbursements
15.2	In County Travel Authorization
15.3	Out of County Travel Authorization
15.4	Travel Arrangements
15.5	Travel Advances
15.6	Travel Reimbursement Claims
15.7	Educational Expenses Authorization
15.8	Educational Expense Claims
15.9	Organizational Memberships
15.10	Subscriptions
15.11	Payment to Outside Vendors
SECTION 16	MISCELLANEOUS OBLIGATIONS
16.1	Miscellaneous Transactions
16.2	Procedure for Miscellaneous Obligations
SECTION 17	MATERIALS CENTER
17.1	Materials Center
17.2	Authorization for Materials Center Use
17.3	Scheduling Work at the Materials Center
17.4	Payment for Materials Center Orders
SECTION 18	CAPITAL ASSETS
18.1	County Owned Personal Property
18.2	Procedure for Acquisition of Personal Property
18.3	Procedure for the Transfer of Personal Property
18.4	Procedure for the Disposition of Personal Property
18.5	Property Less than \$750.00
SECTION 19	INTANGIBLE ASSETS
19.1	Software Costs

AMENDING RESOLUTIONS SINCE 1991

1994: 94-34, 94-49, 94-66, 94-255

1997: 97-48, 97-131, 97-144, 97-178

1998: 98-25, 98-181

1999: 99-234

2001: 01-26, 01-102, 01-289, 01-300

2002: 02-08

2004: 04-66

SECTION 1 - MANUAL INTRODUCTION

1.1 PURPOSE

The Purpose of this Purchasing Manual is to serve as a source of instruction to all County Departments and Employees regarding the Purchasing Policies and Procedures of St. Lucie County, Florida. The adoption of this Purchasing Manual and the approval of any subsequent revisions by the Board of County Commissioners shall authorize the Policies and Procedures contained herein for official use in County Business.

1.2 SCOPE

The Scope of this manual includes all Departments and Dependent Taxing Districts under the jurisdiction of the Board of County Commissioners, as well as all purchasing transactions that are paid for directly from County Funds under the control of the Board of County Commissioners.

- a. This manual PREEMPTS all previously existing purchasing manuals, policies, and procedures.
- b. The Scope of this manual shall not include payroll transactions relative to the Board of County Commissioners.

1.3 DISTRIBUTION

This manual will be distributed to all County Departments and to all County Employees involved in the purchasing process. The Purchasing Department shall be responsible for distributing copies of this manual to all appropriate parties.

1.4 IMPLEMENTATION

The County Administrator shall be responsible, through the Purchasing Department, headed by the Purchasing Director for implementing and enforcing the policies and procedures set forth in this manual.

- a. Each Department Director shall be responsible for implementing and enforcing these policies and procedures within their respective jurisdictions.
- b. The Purchasing Director, as head of the Purchasing Department, shall exercise functional authority over the County Purchasing Process for the purpose of implementing and enforcing these policies and procedures on a countywide basis, as well as in the Purchasing Department for its role in the process.
- c. The Finance Department, headed by the Finance Director, and under the authority of the Clerk to the Board, an Independent Elected Officer, shall exercise dual authority over the County Purchasing Process for the purpose of implementing and enforcing these policies and procedures on a countywide basis, as well as in the Finance Department for its role in the process.
- d. A violation of any of the policies and procedures in this manual may be grounds for disciplinary action. In addition, a violation may result in the County's refusal to pay for any improperly ordered good or service.
- e. The Board of County Commissioners shall have the authority, in specific cases determined to be exceptional, to waive or override the policies and procedures in this manual and to direct a different handling of each such case.

1.5 REVISIONS

This manual is to serve as a permanent, and up-to-date guide to County Purchasing Policies and Procedures. As necessary changes are made in policies and procedures, appropriate revisions will be made. The Purchasing Department shall be responsible for accurately maintaining this manual and for distributing revisions to all appropriate parties.

1.6 RECOMMENDATIONS

Responsible County Employees are encouraged to make recommendations on sections of the manual that, due to changing conditions, may need revision. Also, they are encouraged to make recommendations on new subjects not currently included in the manual.

- a. Any such recommendation should be submitted through appropriate Organizational Channels to the County Administrator for review and consideration.
- b. The County Administrator shall be responsible for presenting any proposed revision to this manual to the Board of County Commissioners for their consideration.

SECTION 2 - GENERAL PURCHASING OVERVIEW

2.1 VALUE OF CENTRALIZED PURCHASING

The strength of the Central Purchasing System is its ability to serve the Departments without requiring them to maintain their own internal purchasing process. The Value of Centralized Purchasing has long been recognized in both government and private business.

- a. Centralized Purchasing promotes economy and efficiency by facilitating accounting and finance control and by enabling quantity purchasing and the standardization of frequently used items.
- b. Also, Centralized Purchasing facilitates public advertising and competitive bidding by channeling the purchasing process through a specialized Purchasing Department.

2.2 ROLE OF THE PURCHASING DEPARTMENT

The role of the Purchasing Department in the purchasing process is to serve the Departments.

- a. The Purchasing Department is responsible for verifying that the departments have adhered to County Purchasing Policies in locating and ordering goods and services, and more particularly, as follows:
 - 1. Conform to the specifications provided by the Department;
 - 2. Are the lowest reasonable cost;
 - 3. Are available within the time requested by the Department, or as soon as possible; and,
 - 4. Conform to the procedures of a professional and ethical purchasing process.
- b. The Purchasing Department is also responsible for insuring proper authorization and recording of all purchase transactions by its personnel.

2.3 ROLE OF OPERATING AGENCIES

The role of Departments in the purchasing process is to utilize the services of the Purchasing Department.

- a. Departments are responsible for:
 - 1. Identifying, as soon as possible and sufficiently in advance, their needs for goods and services in their County Operations and Activities.
 - 2. Notifying the Purchasing Department of all purchasing needs, utilizing the proper forms and procedures as described in this manual.
 - 3. Providing clear and precise specifications for each item or service being ordered.
 - 4. Determining that sufficient funds are available in their authorized budgets to pay for each item or service that they order.
 - 5. Inspecting all items or services as delivered, and notifying the Finance Department of the receipt in order to authorize payment to the Vendor.

- b. Departments shall adhere to proper procedures for all purchase transactions initiated by their personnel.

2.4 ROLE OF THE FINANCE DEPARTMENT

The role of the Finance Department, as an agent of the Clerk to the Board, is to serve as the Accountant and Treasurer to the Board of County Commissioners. In the purchasing process, the Finance Department is responsible for:

- a. Pre-auditing all payment requisitions, prior to disbursement, to determine accuracy, legality, and propriety, and to determine that appropriate policies and procedures have been followed.
- b. Rejecting any payment requisition for a purchase transaction in which the policies and procedures outlined in this manual has not been followed.
- c. Disbursing funds for purchase transactions that are legal and proper, and in compliance with all appropriate policies and procedures.
- d. Recording all disbursements in the County's Accounting Records.

2.5 GENERAL PURCHASING POLICIES

The adoption of this Purchasing Manual formalizes the General Purchasing Policies of the Board of County Commissioners, as follows:

- a. All purchases shall be made by the Purchasing Department, except as otherwise provided hereinafter.
- b. A County employee acting in a private capacity shall not rent, lease, or sell any realty, goods, or services to the County. A County employee, for the purposes of this section only, shall not include any member of the St. Lucie County Board of County Commissioners. With regard to the receipt of any benefit or profit from any contract or purchase made by the County, the actions of the County Commissioners as well as the Purchasing Director or any other County employee having the authority to commit the expenditure of County funds through the issuance of a purchase order shall be governed by Chapter 112, Florida Statutes.
- c. No County employee shall solicit or accept anything of value to the employee including a gift, loan, reward, promise of future employment, favor or service, based on any understanding that the judgment of the employee would be influenced thereby.
- d. The Purchasing Department strives to maintain a strong and enduring relationship with vendors of proven ability. To accomplish this, purchasing activities will be conducted so that vendors will value County business and make an effort to meet our requirements on the basis of quality, service, and price.
- e. The County will buy only from suppliers who have adequate financial strength, high ethical standards, and a record of adhering to specifications, maintaining shipping promises, and giving a full measure of service. New sources of supply shall be given due consideration as multiple sources of supply are necessary to ensure availability of materials.
- f. All Bidders must be afforded equal opportunities to furnish price quotations and are to compete on equal terms.
- g. The Purchasing Director shall act as the County Representative on all matters pertaining to Purchasing.

- h. The Purchasing Director shall not knowingly issue a Purchase Order when there is evidence of a conflict of interest. In instances when a conflict may exist, but its existence is not clearly established, the Purchasing Director shall refer the matter to the County Attorney whose opinion shall be final in the absence of any specific action by the Board of County Commissioners.

All contracts between the County and any vendor or consultant shall contain the following clause:

CONFLICT OF INTEREST

The CONTRACTOR represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, as provided for in Florida Statutes 112.311. The CONTRACTOR further represents that no person having any interest shall be employed for said performance.

The CONTRACTOR shall promptly notify the COUNTY, in writing, by certified mail of all potential conflicts of interest prohibited by existing state law for any prospective business association, interest or other circumstance which may influence or appear to influence the CONTRACTOR's judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the CONTRACTOR may undertake and request an opinion of the COUNTY as to whether the association, interest or circumstance would, in the opinion of the COUNTY, constitute a Conflict of Interest if entered into by the CONTRACTOR. The COUNTY agrees to notify the CONTRACTOR of its opinion by certified mail within 30 days of receipt of notification by the CONTRACTOR. If, in the opinion of the COUNTY, the prospective business association, interest or circumstance would not constitute a Conflict of Interest by the CONTRACTOR, the COUNTY shall so state in the notification and the CONTRACTOR shall, at his/her option, enter into said association, interest or circumstance and it shall be deemed not in Conflict of Interest with respect to services provided to the COUNTY by the CONTRACTOR under the terms of this Agreement.

- i. The County has established a policy that any Professional Consultant that contracts with the COUNTY as an advisor as to the feasibility of any County capital project, shall not be eligible to participate in any future design work on that project that might become necessary as a result of the Consultant's advice. This policy shall be included in any request for proposals requesting advice as to the feasibility of any County Project. The Board of County Commissioners may determine to waive this policy by majority vote if the Board determines that there is a compelling reason to waive the policy.
- j. Products or Materials with Recycled Content

Any Vendor contracting with the County is required to procure products or materials with recycled content with respect to work performed or products supplied under the contract when those products or materials are available at reasonable prices. A decision not to procure such items must be based on a determination that such procurement:

1. Is not available within a reasonable period of time, or
2. Fails to meet the performance standards set forth in the applicable specifications or fails to meet the reasonable performance standards of the agency;

The vendor shall provide the County with a written statement indicating what recycled products were used or supplied. If a decision was made not to use recycled products, the vendor shall provide the County with a written statement indicating the basis for the decision using the above-specified criterion.

2.6 SPECIFIC PURCHASING POLICIES AND PROCEDURES

Specific purchasing policies and procedures will vary depending on the type and cost of the item or service being purchased. This manual is organized into a number of sections describing policies and procedures applicable to different purchasing transactions and controls.

a. Primary Purchasing Transactions

Primary Purchasing Transactions are divided into a number of mutually exclusive categories. These categories are as follows:

- 1 Petty Cash Purchases - Section 3
- 2 Outside Purchases - Section 5
- 3 Construction Contracts - Section 9
- 4 Professional Services Contracts - Section 10
- 5 Emergency Purchases - Section 11
- 6 Travel and Educational Expenses - Section 15
- 7 Miscellaneous Obligations - Section 16

b. Purchasing Controls

Various Purchasing Controls are utilized by the Purchasing and Finance Departments and other Central Management Agencies to oversee various purchasing transactions. These controls are as follows:

- 1 Requisition Procedure - Section 6
- 2 Vendor Selection - Section 7
- 3 Vendor Certification Procedure - Section 7.9
- 4 Professional Services Negotiations - Section 9.6 and 9.7
- 5 Contract Procedure - Section 11
- 6 Purchase Orders - Section 12
- 7 Receiving - Section 13
- 8 Payment Procedures - Section 14

2.7 CONFLICT OF INTEREST - FEDERALLY-FUNDED GRANT PROJECTS

In addition to the provisions of Section 2.5(b) of this Purchasing Manual, the following standards of conduct apply to all Federally supported grant projects:

No elected official, employee, or agent of the County shall participate in selection or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent would be involved. Such a conflict would arise when:

- (i) The elected official, employee, or agent
- (ii) Any member of his or her immediate family,
- (iii) His or her partner, or
- (iv) An organization which employs, or is about to employ, any of the above,

has a financial or other interest in the firm selected or considered for award. The County's elected official, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements

Violations of these standards of conduct may result in disciplinary action as set forth in Section 112.371, Florida Statutes (1997) provided that such disciplinary action does not conflict with the jurisdiction of the State of Florida Commission on Ethics.

SECTION 3 - PETTY CASH PURCHASES

3.1 PETTY CASH POLICY

The cost of purchasing supplies and services of small monetary value through the usual purchasing procedure is usually excessive in relation to the value of supplies and services received. For this reason, the County has adopted a Petty Cash Purchase Procedure.

3.2 PETTY CASH PURCHASE AUTHORIZATION

Petty Cash Purchases are authorized for minor purchases as follows:

- a. Freight and Postal Charges with no dollar limit.
- b. Minor items with a limit of \$25.00 per transaction when needed by a Field Crew or County Facility in a remote location. A remote location shall be a distance of five (5) or more miles from the County Administration Building.
- c. Fees for summons, subpoenas, and witnesses with no dollar limit.
- d. Fees for recording instruments and documentary stamps paid to the Clerk of the Courts with no dollar limit.
- e. Fees for tags and titles payable to the State of Florida or to the Tax Collector.

3.3 PETTY CASH FUNDS

The establishment of a Petty Cash Fund and the amount of such a fund for any Division must be authorized by the Board of County Commissioners and the Clerk of the Circuit Court.

- a. Any request for the establishment of such a Fund, or for an increase or decrease of the amount, by a Division should be submitted to the Director of Management & Budget.
- b. The Director of Management & Budget shall submit all requests to the Board of County Commissioners for their consideration.
- c. If approved by the Board of County Commissioners and the Clerk of the Circuit Court, the Finance Department will make the disbursement to establish or increase the fund.
- d. In event of the disestablishment of a Division or its Petty Cash Fund, or the reduction of the amount authorized for such a fund, the Finance Department shall be responsible for recovering the appropriate amount from the Petty Cash Fund.

3.4 PETTY CASH CUSTODIAN

In each Division authorized to maintain a Petty Cash Fund, the Division Director shall designate a single employee as Petty Cash Custodian, and another Employee as Relief Custodian.

- a. Such designations must be made in writing and filed with the Finance Department.
- b. The Division Director, the Petty Cash Custodian, and the Relief Custodian must have their signatures on file with the Finance Department, and must certify in writing to the Finance Department their knowledge and understanding of the policies and procedures governing Petty Cash.

- c. Petty Cash Custodians will be accountable to the Finance Department for the fixed amount of the Petty Cash Funds under their custodianship.
- d. Petty Cash Custodians will keep all Petty Cash Funds in a metal box equipped with a lock. At all times other than regular working hours, this locked box will be stored in a safe or in a locked desk.
- e. No Employee other than the Custodian and Relief Custodian will have access to the Petty Cash Fund.
- f. In the event of a change in the Petty Cash Custodian in a Division, the Former Custodian must submit the amount of the fund and any unreimbursed vouchers to the Finance Department to close out the custodianship. Only after close out by the Former Custodian will the New Custodian receive custody of the Petty Cash Fund from the Finance Department.
- g. Petty Cash Custodians will be liable personally for any loss or misapplication of the Petty Cash Funds under their custodianship, except in the case of theft.

3.5 PETTY CASH DIVISION PROCEDURE

Each Division Director authorized to maintain a Petty Cash Fund shall be responsible for enforcing the general authorization for Petty Cash Purchases within their Department.

- a. Each Division Director shall establish Departmental Internal Control Procedures for making and approving Petty Cash Procedures.
- b. Any employee so authorized by the division procedure may make a Petty Cash Purchase directly from a vendor in accordance with the general authorization of Section 3.2.
- c. A Division Director shall have authority to disallow any purchase not made in accordance with Division and County Policy and Procedure.
- d. PETTY CASH VOUCHER FORM must be prepared to record each Petty Cash Purchase. (See exhibit "A") The Voucher shall be pre numbered and must:
 - 1. Be typed or prepared legibly in ink,
 - 2. Bear the signature of the person receiving the money,
 - 3. Be supported by a Vendor's Original Invoice or Receipt.
- e. All Petty Cash Purchases must be approved in writing by the Division Manager and the Petty Cash Custodian, who shall affix their signatures upon the PETTY CASH VOUCHER FORM.
- f. The original copy of the PETTY CASH VOUCHER shall be submitted for reimbursement, and a duplicate copy shall be maintained on file with the Petty Cash Custodian.

3.6 PETTY CASH REIMBURSEMENTS

To obtain a Reimbursement for Petty Cash Vouchers, the Petty Cash Custodian will prepare a PETTY CASH REPORT FORM and submit it to the Finance Department.

- a. A PETTY CASH REPORT may be prepared any time during the month when it is determined that a reimbursement is necessary. The report will be prepared as follows:

Assign to the report a Transmittal Number that will be consecutively numbered for each fiscal year for the Department in the following format: "FY91-001," "FY91-002," etc.

1. Count all cash in the fund and record the amount counted on the PETTY CASH REPORT - "Actual Cash on Hand."
 2. Group all PETTY CASH VOUCHERS to be reimbursed by Voucher Number.
 3. List and enter all Vouchers by Voucher Number, the account number to be charged, and the dollar amount in the space provided under "Vouchers Attached for Reimbursement." There must be a Vendor's Invoice or Receipt and a PETTY CASH VOUCHER FORM for each transaction listed.
 4. Total of petty cash on hand and petty cash vouchers must equal petty cash fund amount.
 5. The report must be signed by the Custodian and approved by the Division Director for reimbursement.
- b. After approval by the Division Director, the original of the PETTY CASH REPORT FORM along with all supporting vouchers will be forwarded to the Finance Department. The duplicate copy of the report shall be maintained on file with the Petty Cash Custodian.
 - c. After receiving the PETTY CASH REPORT with supporting vouchers, and after appropriate pre-audit review, the Finance Department will prepare the reimbursement payment for the department's petty cash fund.
 1. Payment will be charged against the appropriate departmental budgetary expenditure accounts.
 2. All payments reimbursing petty cash funds will be drawn payable to the respective petty cash custodian by their personal name and words "Petty Cash."
 3. The Finance Department will cancel each and every voucher and other supporting documents attached to the report with a paid stamp immediately after the reimbursement warrants are prepared. The paid stamp will be placed only once on the front of each document and the date must coincide with the date on the payment.
 4. Any irregularity found during the pre-audit shall be reported immediately to the respective Division Director.

3.7 PETTY CASH YEAR-END REIMBURSEMENT

At the end of the fiscal year, all Petty Cash Vouchers must be submitted for reimbursement and cash balance taken to Finance for verification of fund amount on the last workday of the year.

This year-end reimbursement and audit will insure that Petty Cash Purchases are recorded in the proper fiscal year and that proper control is maintained over all Petty Cash Funds.

3.8 DISALLOWANCE OF PETTY CASH PURCHASES

Any Petty Cash Purchase not made in accordance with division and County petty cash policies and procedures will not be paid or reimbursed by the County. Both the Division Director and the Finance Department shall have the authority to disallow any purchase not made in accordance with such policies and procedures.

SECTION 4 - PURCHASING CARDS

The St. Lucie County Purchasing Card Program is designed to improve efficiency in processing low dollar purchases from any vendor that accepts the Visa credit card. Most of our suppliers accept the Visa Purchasing Card.

This program allows the cardholder to purchase approved commodities and services directly from our vendors. Each Purchasing Card is issued to a named individual and St. Lucie County is clearly shown on the card as the Governmental buyer of goods and services.

Purchasing and Accounting will monitor the performance of the program. All questions or concerns should be directed to:

Procurement Policy related:	Purchasing Director	Ext. 1700
Procurement Operations related:	Sr. Buyer	Ext. 1700
Payment related:	Accounts Payable Supervisor	Ext. 1493

4.1 PURPOSE - POLICIES AND PROCEDURES

1. Provide an efficient method of purchasing and paying for goods and services not exceeding \$2,499 per purchase.
2. Reduce the use of small and multiple purchase orders.
3. Ensure that Purchasing Card purchases are in accordance with the County's ordinances, policies, and procedures.
4. Reduce the time spent processing low dollar transactions.
5. Ensure that the County bears no legal liability from inappropriate use of Purchasing Cards.
6. Provide for disciplinary action if the Purchasing Cards are misused.

Herein are the minimum standards for County Departments. County Departments may establish additional controls with approval of the Purchasing Director.

4.2 HOW IT WORKS

The Purchasing Card system simplifies the procurement/disbursement process. Procurement responsibility is delegated to the ordering department enabling an authorized cardholder to place an order directly with the vendor.

When a purchase authorization is requested by the supplier at the point-of-sale, the Visa Purchasing Card system checks the transaction against preset limits established by the employee's department. Transactions are approved or declined (electronically) based on the Purchasing Card authorization criteria established. The authorization criteria may be adjusted periodically as needed and may include, but is not limited to, the following:

1. Single purchase limit as set by Department Director (not to exceed \$2,499)
2. Monthly spending limit
3. Approved Merchant Category Codes
4. Number of transactions allowed per day
5. Number of transactions allowed per month

The authorization process occurs through the electronic system that supports the Purchasing Card processing services under St. Lucie County's agreement with Bank of America.

4.3 WHO DOES WHAT?

The following are the responsibilities of the individuals and organizations involved in the Purchasing Card system:

Cardholder

- . Hold and keep secure Purchasing Card and card number
- . Order materials and services
- . Receive and inspect all ordered materials and services, report discrepancies to merchant, card representative, and to Purchasing
- . Save all sales receipts, turn into Department Card Representative as soon as possible
- . Identify disputed charges
- . Review monthly charges with Purchasing Card Representative
- . Sign monthly statements certifying charges prior to submission to Finance

Department Purchasing Card Representative (Individual(s) designated by Department Director)

- . Review monthly statement with cardholder
- . Match receipts with monthly card statement, encode proper account
- . Review monthly statements for validity of all transactions
- . Verify that funds are available in the proper account to pay for the purchases
- . Sign the monthly statement authorizing charges
- . Verify the appropriateness of cost center codes (i.e., fund / agency / org. assigned to charges)
- . Handle disputed items identified by cardholder
- . Forward statement(s) with completed transmittal form to the Purchasing Department
- . Perform regular inspection of card possession by cardholders

Department Director or Designee (s)

- . Request Purchasing Card(s) for designated employee(s)
- . Set Card spending limits within established guidelines
- . Collect cards from cardholders who end employment
- . Evaluate the need to cancel or reissue cards when employees transfer
- . Notify the Card Administrator of terminated cards
- . Appoint a Department Purchasing Card Representative
- . Sign the transmittal form authorizing charges

Purchasing Card Administrator or Designee (s) (Appointed by Purchasing Director)

- . Coordinate issuance and cancellations of cards
- . Coordinate program policy issues
- . Participate in ongoing program reviews
- . Participate in resolving billing disputes
- . Maintain Policy and Cardholder guides/manuals

Finance Department

- . Receive approved monthly statements from cardholders
- . Receive consolidated statement from Purchasing Card issuer
- . Confirm that all charges are authorized by Department Representatives
- . Notify department when approved monthly statements are not received
- . Pay monthly charges from consolidated statement

- . Process accounting data into Banner
- . File and store statements
- . Administer 1099 reporting
- . Conduct periodic operational and compliance audits

Purchasing Department

- . Approve/disapprove requests for Purchasing Card
- . Final resolution of supplier disputes
- . Pursue supplier discount opportunities
- . Evaluate Purchasing Card feedback from suppliers
- . Coordinate minority business reporting
- . Establish and monitor benchmarking objective
- . Coordinate and maintains internal controls
- . Target new cardholders and expand use of Card
- . Perform physical audits of card possession by cardholders

4.4 ASSIGNMENT AND CONTROL OF THE PURCHASING CARD

1. REQUESTS FOR AND ISSUANCE OF PURCHASING CARD

- a. Requests for new Cardholders or for changes to current Cardholders shall be made by submitting a completed Request/Certification/Receipt form to the Purchasing Card Administrator.
- b. All requests for Purchasing Cards must be signed by the Department Director.
- c. Purchasing Cards may be issued to individual employees who frequently purchase goods and services.
- d. The Purchasing Card will have the employee's name, the County name, and the expiration date embossed on the face of the card. The County's Florida sales tax exemption number is preprinted on the Purchasing Card. The Purchasing Card issuing company will not have individual Cardholder information other than the Cardholder's work address. No credit records, social security numbers, etc., of the Cardholder are maintained by the issuing company.
- e. When the Purchasing Card Administrator receives a Purchasing Card from the issuing card company, the Cardholder will be required to personally attend and complete Purchasing Card training, take receipt of the card and sign a certification/receipt form. The Cardholder will be given a copy of the Purchasing Card Policies and Procedures guide and an oral review of the program. Each Card will be activated by the Purchasing Card Administrator after the Cardholder has attended the training and received his/her Card.

2. LOST OR STOLEN PURCHASING CARDS OR CARD NUMBERS

- a. If a Purchasing Card is lost, stolen, or misplaced, or if the Cardholder thinks that the number has been used without his or her authorization, the Cardholder must immediately notify the Purchasing Card Company and the Purchasing Card Administrator of the loss. DO NOT ASK BANK OF AMERICA TO REPLACE YOUR CARD!! Purchasing will do that.

BANK OF AMERICA 1-888-449-2273 (24 hours a day, 365 days a year)

- b. The Cardholder shall report all information necessary and complete all forms required to reduce the liability to the County for a lost or stolen card or card number, and shall work with any law enforcement agency in prosecuting theft.

3. TERMINATION OR TRANSFER OF CARDHOLDER

- a. When an employee ends his/her employment or is transferred to another department, the department Director shall collect the Purchasing Card, destroy it (cut it in half), and submit the pieces of the card to the Purchasing Card Administrator.
- b. If the department Director is unable to collect the Purchasing Card when an employee leaves, he/she shall immediately notify the Purchasing Card Administrator by telephone followed by a memo. The Purchasing Card Administrator will ensure that the card is canceled.

4.5 CARDHOLDER USE OF PURCHASING CARD

1. CARDHOLDER USE ONLY

The Purchasing Card shall only be used by the employee whose name is embossed on the card. No other person is authorized to use the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.

Upon receipt of the Purchasing Card, the cardholder should NOT sign the back of the card, but, should write in indelible ink one of the following: SEE PHOTO ID, SEE COUNTY ID, or SEE DRIVERS LICENSE.

2. COUNTY PURCHASES ONLY

The Purchasing Card is to be used for County authorized purchases only. The Purchasing Card shall not be used for any personal use and any such use will require immediate reimbursement and will result in disciplinary action which may include dismissal.

3. SPENDING LIMITS

- a. The department Director approving the assignment of a Purchasing Card will set two limits for each cardholder: single purchase limit and 30-day limit. The maximum limit shall be \$2499 for a single purchase. Additional limitations may be imposed by the requesting Director.
- b. Requests for spending limit changes shall be initialed by a memo to the Purchasing Director by the Department Director.
- c. A purchase may be made of multiple items, but the invoice cannot exceed \$2499.00 or the Cardholder's limit if less than \$2499.00. Charges for purchases shall not be split to stay within the single purchase limit. Splitting charges will be considered abuse of the Purchasing Card Program.
- d. When it is in the best interest of the county, the Purchasing Director or Designee (s) can override larger purchases.

4. OTHER CONDITIONS

- a. All items purchased over-the-counter must be immediately available. No back ordering is allowed.
- b. All items purchased during one telephone transaction must be delivered in a single delivery. If an item is not immediately available, no back ordering is allowed.
- c. All items purchased by telephone must be delivered by the vendor within the 30-day billing cycle. The order should not be placed without this assurance.

5. PROHIBITED USES OF PURCHASING CARDS

The following types of items shall not be purchased with a Purchasing Card, regardless of the dollar amount:

- Cash advances
- Alcohol or drugs
- No Capital Equipment (over \$750)
- Entertainment (except when authorized by the County Administrator via Entertainment Justification Form)
- Professional or Contracted Services
- Clothing
- Food or Recreation (except for special programs)
- Travel expenses such as hotels, automobile rental, and airline tickets (unless cardholder has a card specifically authorized for travel expenses.)
- Any additional goods or services specifically restricted by the department

4.6 PROCEDURES FOR MAKING AND PAYING FOR PURCHASES

1. DOCUMENTATION OF OVER-THE-COUNTER PURCHASES

- a. When an over-the-counter purchase is made, the Cardholder must obtain the customer's copy of the charge slip.
- b. The charge slip will be retained either by the Cardholder or by the Department Purchasing Card Representative.

2. TELEPHONE ORDERS

When placing a telephone order, the Cardholder must confirm that the vendor will charge the Purchasing Card when shipment is made so that receipt of the supplies may be certified on the monthly Statement of Account. This is also a requirement of the vendor's contract with VISA.

3. SALES AND USE TAXES

The County is exempt from paying any State of Florida (and generally all other States) sales and/or use tax, even if the purchase is made with the Purchasing Card. If the vendor charges sales tax, the Cardholder must contact the vendor and obtain a credit equal to the amount of the sales tax. This applies to out of state purchases also.

St. Lucie County's Sales Tax exemption number is printed on the face of the Purchasing Card. If you have a problem with any merchant about sales or any other tax, please contact the Purchasing Department.

4. MISSING DOCUMENTATION

If for some reason the Cardholder does not have documentation of the transaction to send with the statement to his/her Purchasing Card Representative, he/she must attach a description of the purchase along with a signed certification that the purchase was made in accordance with the County's Policies and Procedures and that the purchase was required for County operations. Failure to promptly provide such certification may result in disciplinary actions and the employee

may be required to pay the County for the undocumented expense. Continued incidents of missing documentation will result in the cancellation of the employee's Purchasing Card.

5. PAYMENT AND INVOICE PROCEDURES

- a. The Purchasing Card company will mail one consolidated statement for all Cardholders to the Purchasing Department. This Statement of Account will list all transactions processed during the previous billing cycle (usually 30 days.) (Each individual Cardholder will receive their statement directly from Bank of America and/or electronically from the Purchasing Department) If no purchases were made on the Purchasing Card during the billing cycle, no Statement of Account will be generated unless adjustments for previously billed transactions have been processed during that cycle.
- b. The Cardholder must review the statement and note any errors or disputes. Account numbers for each item (or account numbers and total dollar amounts for groups of items) should be written on the transmittal form to be attached to the statement. The statement will then be reviewed and signed by the cardholder. By signing the statement, the cardholder is certifying that all charges are appropriate and authorized County purchases. The statement will then be reviewed and signed by the Department Purchasing Card Representative and/or Department Head. Once the department representative has reviewed and signed all statements for which they are responsible for, the statements and the transmittal with signatures will be forwarded to the Finance Department within five working days after receipt. Card charge slips/receipts for all items listed on the statement shall be retained in the department for audit purposes. Auditing will be at the discretion of Purchasing, Finance, or the County Auditors.
- c. The Finance Department will ensure that the Purchasing Card charges are paid timely and that the consolidated statement received is reconciled against the individual cardholder statements forwarded from the department. Department Directors, Purchasing, and Purchasing Card Administrator will be notified when individual statements are not received in the allotted time. Continued failure to meet the five work day deadlines may result in the revocation of Purchasing Cards at the discretion of the Purchasing Director.
- d. If the statement is not received in the Finance Department within the five days, then Finance will pay the statement and charge any transactions to the card's default account number. A late transaction processing charge may be added to late submittals.

4.7 DISPUTES

1. If items purchased with the Purchasing Card are defective, the Cardholder must return the item(s) to the vendor for replacement or credit. If the service paid for with a Purchasing Card is faulty, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the faulty item or service, the purchase will be considered in dispute. If the quantity of items received is less than the invoice and charge billing, then the transaction must be disputed.
2. If a vendor charges the Cardholder Sales Tax on the purchase, and the Cardholder is unable to get a credit for the amount of the tax, then this is a non-disputable item and must be paid by the cardholder.
3. A disputed item must be explained with a note on the Cardholder's Statement of Account before the statement is forwarded to the Accounts Payable section for payment.
4. It is essential that the time frames and documentation requirements established by the Purchasing Card issuer be followed to protect the cardholder's rights in dispute.

4.8 DISPUTE PROCEDURES

A dispute occurs when a Cardholder questions a transaction that has been charged to his/her account. The following steps must be taken to ensure prompt settlement:

1. The Cardholder contacts the vendor about the transaction and supplies the necessary information to begin the resolution process, AND;
2. The Cardholder completes the Bank of America VISA Dispute Form and faxes to Bank of America (facsimile 1-800-253-5846) explaining the reason(s) for the dispute as well as a copy of the statement, if the item has posted. Bank of America will then place the transaction into a disputed status.
3. If the problem is resolved between the merchant and the Cardholder, the Cardholder should write the solution agreed upon on the bottom of the Dispute Form that was previously faxed to Bank of America and fax it to Bank of America as soon as possible. If an agreement cannot be reached the following steps will be completed:
4. After the item has been entered as a dispute, Bank of America must determine who is responsible by researching the transaction including requesting a copy of the sales draft when necessary. When responsibility for the transaction is determined, the dispute will be settled on-line.
5. When an account is in a dispute status, the disputed amount is still included in calculating the available money for authorizations (monthly limit). At the time the item is placed in dispute, it is removed from all finance charge, late charge, over limit fee, and past due amount calculations. Finance charges which accrue from posting until the item is placed in dispute must be handled according to County policy. Any Cardholder statements generated while the account is in dispute will display the following message:

YOUR ACCOUNT IS IN DISPUTE FOR \$XXX.XX. THIS AMOUNT HAS NOT BEEN INCLUDED IN THE FINANCE CHARGE OR PAYMENT CALCULATIONS.

6. If the Cardholder is actually responsible for the transaction, the dispute is settled in favor of Bank of America and no further actions are required. If the Cardholder is not responsible for the transaction, the dispute is settled for the Cardholder and the Charge back process may be initiated against the vendor.
7. If there continues to be problems with a particular vendor, the Cardholder shall notify the Purchasing Director of the problems.

4.9 REVIEW OF PURCHASES BY DEPARTMENT

1. Because of their knowledge of the job responsibilities and requirements, Department Purchasing Card Representatives are required to review each Purchasing Card expenditure (item purchased, amount, and vendor) to ensure the goods or services were necessary, and for official use. The Department Purchasing Card Representative must certify in writing all of the purchases on statements submitted to the Finance Department by the card representative.
2. When purchases are questioned, the department Director or the designated Department Purchasing Card Representative will be responsible for resolving the issue with the Cardholder. If the Department Director is not satisfied that the purchase was necessary and for official use,

the Cardholder must provide either a credit voucher proving the item(s) were returned for credit; or a personal check (or cash) made payable to St. Lucie County for the full amount of the purchase plus applicable sales tax. Checks must be sent to the Purchasing Director within one week with a written explanation of why the violation occurred and the action taken to prevent reoccurrence. The personal check along with a copy of the invoice being reimbursed will be forwarded to the Finance Department by the Purchasing Director.

3. The designated Department Purchasing Card Representative shall not review or approve charges to his/her own Purchasing Card. The department director must approve all charges made by a designated Purchasing Card representative.
4. To help the department in their reviews, management reports will be available from Purchasing/Finance.

4.10 TRAVEL

1. The St. Lucie County Travel Regulations apply to all travel related transactions. The Travel Regulations reporting requirements are in ADDITION to the Purchasing Card requirements. The Travel Expense Request shall be submitted and approved prior to travel.
2. The Original receipt(s) shall be submitted with the completed Travel Reimbursement Form. A copy of the travel charge receipt shall be maintained in the Cardholder's or Card Representative's office for verification against the monthly statement, (a copy of the receipt must be with the cardholders monthly statement if they used their purchasing card to pay for their travel (i.e., hotel/motel rooms, gas, rental car, or airline tickets, etc.) and for archive purposes. Also a copy of their travel receipts should be kept with their travel forms filed and kept in their department. The completed Travel Reimbursement Form (with original receipts attached) shall be submitted to the Finance Department within five (5) days after completing the trip.
3. Payments will be made to Bank of America by Finance on the regular monthly cycle for all Purchasing Card transactions regardless of when the Travel Expense Request Form is received in the Finance Department. (i.e., know your monthly limit and how much is charged against it.) 6. Employees that have Travel authorized Purchasing Cards are NOT eligible for advanced travel payments.
4. Employees that have Travel authorized Purchasing Cards are NOT eligible for advance travel payments.

4.11 PURCHASING CARD DISASTER PLAN

The Purchasing Department will have special high limit credit purchasing cards which will be issued during disaster type emergencies. These cards will be locked in the Purchasing Department safe and signed out to the departments in a timely manner as directed by the County Administrator or his designee.

These cards will be non-restricted and carry a value of \$250,000. Accordingly, this particular credit card will expedite purchases during these types of disaster. In addition, this will enable a controlled means of tracking expenses and reporting capabilities, as these cards are restricted for disaster use only.

SECTION 5 - OUTSIDE PURCHASES

5.1 COMPETITIVE BIDDING POLICY

Normally, major purchases of materials, supplies, equipment, and contracted services (excluding professional services) from outside vendors by County Departments will be acquired through Competitive Quotations or Bidding through the Purchasing Department or pursuant to State Contract as provided by Chapter 287, Florida Statutes. The only exceptions permitted to this policy are those authorized in the other sections of this manual or authorized by the Board of County Commissioners. The acquisition of Professional Services is expressly exempted from this policy and such services shall be approved in accordance with Section 9 of this manual.

5.2 OBTAINING PRICE ESTIMATES

To obtain price estimates and/or product information, a Department should contact the Purchasing Department for assistance.

- a. For a price estimate, the Department should prepare an APPROPRIATION form and submit it to the Purchasing Department.
- b. In response to such a request, the Purchasing Department will contact various vendors and obtain price estimates and/or product information.
- c. Afterward, the Purchasing Department will return the APPROPRIATION form indicating potential vendors, estimated prices, and product information.
- d. Such estimates should be distinguished from quotes, which will be obtained by the Purchasing Department when an order is actually placed.

5.3 OUTSIDE PURCHASES UNDER \$20,000.00

Items or services under \$7,500 normally will be acquired through informal quotations as provided in Section 7.2 of this manual. Items or services over \$7,500 and under \$20,000 normally will be acquired through formal quotations as provided in Section 7.3 of this manual. However, purchases of \$2,500 or less are exempt from this policy.

- a. Purchases for the following items are exempt from the purchase order process and shall be paid via the Check Request Form:
 1. Subscriptions & Membership Dues
 2. Registration Fees and Lodging Fees to include Airfare once approved via
 - a. Travel Request Form.
 3. Permits, impact fees, and other such fees approved by the Purchasing Director and Finance Director.
- b. To acquire items or services under \$20,000 a Department will prepare a REQUISITION form and submit it to the Purchasing Department. Section 6 of this manual governs the preparation and submission of the REQUISITION form.
- c. After receipt and review of the form, the Purchasing Department shall assist the Requisitioning Department in selecting a vendor for the requested item or service through informal quotations as provided in Section 7.2 or formal quotations as provided in Section 7.3 of this manual. Other purchasing procedures, such as formal quotations or formal sealed bids, may be used to select a

vendor if the Purchasing Director deems such procedures appropriate for a particular purchase or group of related purchases.

- d. If there is a sole source for an item under \$20,000, the requirement for formal/informal Quotations may be waived by the Purchasing Director. However, written documentation by the Requesting Department Director shall be required and filed with the purchase order.
- e. After selecting a vendor for the purchase, the Purchasing Department will complete the purchase award process.

5.4 OUTSIDE PURCHASES OF ITEMS OF \$20,000 OR MORE

Items of \$20,000 or more shall be acquired through Formal Sealed Bids approved by the Board of County Commissioners or under a State Contract, or Federal General Services Administration Contract pursuant to Chapter 287, Florida Statutes.

- a. To acquire items or contracted services of \$20,000 or more, a Department Director shall prepare a memorandum requesting the purchase and submit it to the Purchasing Department along with any necessary applications. The memorandum must be signed by the Department Director.
- b. After receipt and review for completeness, the Purchasing Department will prepare a request for Formal Sealed Bids and follow the procedures set forth in Section 7.4 of this manual.
- c. After a vendor has been selected by the Board of County Commissioners pursuant to Section 7.4 of this manual, the Requesting Department will prepare a REQUISITION form for the purchase and submit it to the Purchasing Department.
- d. After receipt and review of the form, the Purchasing Department will complete the purchase award process.
- e. Professional services for \$20,000 or more may require a Request for Proposals (RFP) as set forth in Section 10.3.

5.5 BID WAIVER

Certain purchases of \$20,000 or more shall be acquired through quotations if there is a Waiver of the requirement for formal sealed bids by the Board of County Commissioners.

- a. The Waiver of formal sealed bids may be requested:
 - 1. If an emergency exists which would result in a direct loss to the County or imminent damage to public safety or health by requiring competitive bids due to the time loss inherent in the bidding procedures.
 - 2. If there is only a single source for a purchase.
 - 3. If used items are available which would result in a substantial savings over purchase of new items.
 - 4. If the request is for a service contract for the maintenance, repair or servicing of existing facilities or equipment owned or leased by the County.
 - 5. If quotations indicate that the item may be purchased for a price, which is less than the price if purchased through State Contract as, provided by Chapter 287, Florida Statutes.

6. If the product is available from the State Department of Corrections Non-Profit Corporation for Correctional Work Programs organized under Chapter 946, Florida Statutes.
- b. For Bid Waivers on items of \$20,000 or more, a Department Director shall prepare and submit to the Purchasing Department a memorandum requesting the waiver, stating the reason for such waiver and detailing the facts, circumstances and conditions for the waiver. The memorandum must be signed by the Department Director.
- c. After receipt and review, the Purchasing Department will recommend either to approve or to disapprove the request for a bid waiver.
 1. If approval is recommended, the request will be submitted to the County Administrator via an agenda request to the Board of County Commissioners.
 2. If disapproval is recommended, the request will be returned to the Requesting Department.
 3. Any dispute between the Purchasing Department and the Requesting Department shall be resolved by the County Administrator.
- d. The County Administrator shall submit all recommended bid waiver requests to the Board of County Commissioners for their consideration.
- e. If the bid waiver request is approved by a majority of Board of County Commissioners present at a regular or special meeting, the Purchasing Department may proceed to acquire the requested items or services. If rejected, the item shall be advertised for sealed bids.

5.6 EXEMPT PURCHASES OF \$20,000 OR MORE

Certain purchases, even if \$20,000 or more, shall be exempted from the requirement for Formal Sealed Bids approved by the Board of County Commissioners.

- a. These exempt purchases are as follows:
 1. Intergovernmental Purchases among County Departments.
 2. Intergovernmental Purchases from other government agencies.
 3. The purchase of petroleum products and utility services, including but not limited to water and sewer, electric, telephone, etc.
 4. The purchase of items under State Contract, General Services Administration Contract pursuant to Chapter 287, Florida Statutes, once approved by the Board during the budgetary process.
 5. The acquisition of Professional Services acquired in accordance with Section 10.
 6. Purchases relating to computer hardware and software shall be at the discretion of the Board of County Commissioners.
 - a. The Board recommends that all purchases relating to hardware and software, regardless of amount, be done by the formal quote process.
 7. a. Purchase of Library books, educational and/or personnel tests, similar audio/visual materials, periodicals, printed library cards and;
 - b. Professional services and in instances where authorized by the Purchasing Director where commodities or services are purchased directly from the owner of a copyright or patent, a governmental agency, a recognized educational institution, or where there are no other identifiable sources available.
 8. a. Goods, equipment and services acquired through the Request for

Qualifications procedure described in Chapter 7 of this Manual.

- b. For such exempt purchases described above, except for items one and three, a Department will prepare a REQUISITION form and submit it to the Purchasing Department.
 - 1. Section 6 of this manual governs the preparation and submission of the REQUISITION form.
 - 2. Section 6.3(a)(5) of the manual governs the authorization of such forms.
- c. After receipt and review, the Purchasing Department will complete the purchase requested for the selected vendor.

5.7 PURCHASE OF GOODS, EQUIPMENT, AND CONTRACTUAL SERVICES FROM OTHER GOVERNMENTAL BIDS

Goods, equipment, and contractual services may be purchased from other governmental and agency bids without additional competitive bidding as long as:

- a. The bid documents and selection procedures used by the other government or agency are consistent with the County's purchasing regulations and permit other governments to purchase from the bid; and,
- b. The purchase is approved by the Board of County Commissioners for St. Lucie County which approval, at the discretion of the Board, may require an inter local agreement with the other government or agency; and
- c. The contract procedure set forth in Section 8 in this Manual is followed.

5.8 PURCHASE AWARD PROCEDURE

After a vendor has been selected for a purchase, the Requesting Department will complete the award process.

- a. The Requesting Department will notify the selected vendor of the award of the purchase.
- b. When a Contract is required or desired for the purchase, the contract procedure outlined in Section 8 of this manual will be followed.
- c. When a Contract is not required, the Purchasing Department will rely on the Purchase Order Document as the general contracting mechanism.
- d. The Requesting Department will conclude the details of the purchase with the vendor and issue instructions pertaining to it.
- e. The Purchasing Department will prepare a PURCHASE ORDER for the purchase as provided in Section 12 of this manual.

SECTION 6 - REQUISITION PROCEDURE

6.1 REQUISITION FORM

The REQUISITION form shall serve as a request for all purchases. In addition, the REQUISITION form will be used to initiate the entry of all purchasing transactions into the County's Financial Records.

There are two (2) forms of REQUISITIONS: Manual and Computer Generated. The Manual Form is used with the multi-part REQUISITION. The COMPUTER GENERATED REQUISITION, is used with the INTERNAL REQUISITION AUTHORIZATION FORM which will be used as the data entry document to generate the COMPUTERIZED REQUISITION. The INTERNAL REQUISITION AUTHORIZATION FORM, with the appropriate authorized signature, will be attached by the originating department to the returned COMPUTER GENERATED REQUISITION.

6.2 REQUISITION PREPARATION

A REQUISITION form for a Department must be prepared by an authorized requisitioner for the Department.

- a. All Department Directors should designate one or more employees as authorized requisitioners with authority to prepare REQUISITION forms for the Department.
- b. The Authorized Requisitioner shall prepare a REQUISITION form by typing a 4-part manual REQUISITION FORM and completing all appropriate portions of the form. If considered Computer Generated, refer to Section 6.1 and (The Requisition Processing System Manual available from Automated Services.) The following shall apply to both types of REQUISITION FORMS:
 1. All entries, except signatures, must be typed or printed in ink to avoid errors in processing.
 2. Blank, Internal Requisition Authorization Forms available from the Purchasing Department.
- c. In preparing the form, the Requisitioner must determine that his or her Department has adequate funds budgeted to pay for any item requisitioned.
- d. In preparing a REQUISITION FORM, the Requisitioner will:
 1. Identify item(s) or service(s) to be ordered, and the estimated cost.
 2. Review the Department's financial reports to self-audit for availability of Funds in the account to be charged.
 3. Prepare a Line-to-Line Transfer Request if the Department has funds available in a different account and forward to the Office of Management & Budget for review and processing.

6.3 ELECTRONIC REQUISITION AUTHORIZATION

All ELECTRONIC REQUISITION FORMS submitted by a Department to the Purchasing Department must be authorized by the appropriate level County Official.

- a. The appropriate levels of authorization are as follows:
 1. For purchases that require a Purchase Order under \$499.99 - any "Authorized" Requisitioner for the Requesting Department.
 2. For purchases of \$500.00 to \$4,999.99 - the Division Manager or approved designee.

3. For purchases of \$5,000.00 to \$9,999.99 - the Department Director or approved designee.
 4. For purchases of \$10,000.00 to \$19,999.99 - the County Administrator or approved designee.
 5. For purchases of \$20,000.00 or more - the Department Director or approved designee, and the County Administrator certifying the approval of the Board of County Commissioners and showing the date of approval.
 6. For exempt purchases of \$20,000 or more - the Department Director or approved designee, and the County Administrator certifying that the Board has deemed it exempt under Section 5.6 of this manual.
- b. The authorization by a Department Director will indicate to the Purchasing Department that the Authorizing Official is attesting to the availability of funds for the purchase and to the accuracy of all entries on the ELECTRONIC REQUISITION form.
 - c. The authorization for an ELECTRONIC REQUISITION form must be given at the lowest appropriate level as designated in Section 6.3(a) above, but need not be given by a higher level. Authorization may be given at a higher level if the higher level official is one initiating the ELECTRONIC REQUISITION form.
 - d. The authorization level required on an ELECTRONIC REQUISITION form will be based upon the estimated total cost of the purchase. If the actual cost of the purchase exceeds the estimate and exceeds the level of authorization given, the form will be returned for the appropriate higher-level authorization prior to ordering the requested items or service.
 - e. An authorization must be given by affixing the signature of the Authorizing Official to the form.
 - f. To establish or revoke Requisition "Authorization" for any employee, a SIGNATURE AUTHORIZATION form must be completed and submitted to the Purchasing Department for each employee.
 1. Requisition Authorization must be renewed at least annually.
 2. The form must show the signature and title of the authorized employee.
 3. Any Special Authorization for the employee must be indicated on the form.
 4. The authorization for any Departmental Employee must be signed by the Department Director, and for a Department Director by the County Administrator.

Each Department must have a minimum of 2 authorized Requisitioner for all levels of requisitions at any time, thus designating a permanent record of an authorized individual in the absence of the Department Director. In the case of absence of both people, then a signature authorization form shall be circulated.

6.4 REQUISITION SUBMISSION

After preparation and authorization, a hard copy REQUISITION form must be submitted to the Purchasing Department for all purchases exceeding \$7,500.

- a. A copy of the form should be retained by the Department submitting it.
- b. To facilitate fiscal year end close out, no electronic requisitions may be submitted by a Department during the last 15 days of the fiscal year except for Emergency Purchases. The

actual cutoff date will be established by the Purchasing Department each year. All departments will be notified.

- c. The Department may enter in the appropriate box on the form any unique internal code number as its own reference number.

6.5 REQUISITION REVIEW

Upon receipt of a REQUISITION form, the Purchasing Department will review the form to determine proper preparation and authorization.

The Purchasing Department will return, to the submitting Department, any REQUISITION form that is:

- Incomplete,
 - Unauthorized,
 - Authorized by an unauthorized person,
 - Involves a pre-purchase or other violation of County policies or procedures.
1. The annual budget approved by the Board of County Commissioners is the Board's authorization for all purchases of capital equipment and improvements, and therefore permission to advertise for purchases is granted at time of budget approval.
 2. The proper authorization as provided in Section 6.3 is the Purchasing Department's authorization to process the requisition and make a purchase.
 3. All after-the-fact requisitions must be authorized by the County Administrator.

SECTION 7 - VENDOR SELECTION

7.1 INFORMAL QUOTATIONS

Informal quotations are used only for purchases of items or services under \$7,500.

- a. Informal quotations may be obtained by the Purchasing Department.
- b. Informal quotations may be obtained by telephone, or in person or in writing.
- c. In soliciting informal quotations, the Department should encourage competition by contacting as many vendors as possible. Utmost care must be taken, however, to insure that vendors are given exactly the same information and that prices are not disclosed from one vendor to another.
- d. For all purchases, the Purchasing Director or designee shall make the determination of the "most responsive bidder."
- e. For purposes of this section, "most responsive bidder" shall be the Bidder whose proposal is determined to be most advantageous to the County taking into consideration:
 1. The price,
 2. The capability, integrity and reliability of the bidder to assure good faith performance,
 3. Any evaluation factors supplied by the Requesting Department and Purchasing Department to the Bidder.

7.2 FORMAL QUOTATIONS

Formal quotations shall be used for purchases of items or services from \$7,500 to \$19,999 or when bidding requirements have been waived or exempted for items or services over \$20,000 pursuant to Section 5.5.

- a. Formal quotations will be solicited by the Requesting Department. The Purchasing Department will solicit formal quotations upon written request with proper specifications.
- b. Requests for formal quotations are not required to be advertised.
- c. Requests for formal quotations along with the specifications will be requested from at least three (3) vendors for the particular item or service requested. If the specifications for a Formal Quotation are changed after the original mailing to Vendors, the Addendum Procedure in Section 7.5 of this manual will apply.
- d. Formal Quotations will be received and tabulated by the Department Director. If bidding requirements have been waived, or the item or service is exempt from bidding requirements, and the formal quotation is for \$20,000.00 or more, the Purchasing Director, County Administrator and Requesting Department Director will send a recommendation to the Board of County Commissioners to request an advertisement for sealed bids.
- e. For purchases over \$20,000.00 when bidding requirements have been waived and three formal quotations have been received, the Board of County Commissioners shall make the determination of the "best responsible bidder" based upon the written report and recommendation of the Purchasing Department, the Requesting Department and the County Administrator.

7.3 FORMAL SEALED BIDS

Formal Sealed Bids will normally be used for purchases and services of \$20,000 or more.

- a. Requests for formal sealed bids will be prepared by the Purchasing Department based upon the memorandum and specifications submitted by the Requesting Department as provided in Section 5.4 of this manual.
- b. Notification of formal sealed bids normally will be advertised in a local newspaper for one day.
- c. Vendors will be notified through an agreement with an outside provider. All bid information will be available on the Internet.
- d. If the specifications for a formal sealed bid are changed after the original advertising and mailing to vendors, the addendum procedure in Section 7.4 of this manual will apply.
- e. Formal Sealed Bids will be opened by the Purchasing Department and tabulated. The tabulation will then be forwarded to the Requesting Department.
 1. The bids will be received by the Purchasing Department until the prescribed time and will be opened immediately thereafter.
 2. The Purchasing Department and the Requesting Department will tabulate the bids received and will send a recommendation for the award through the County Administrator to the Board of County Commissioners.
- f. The County Administrator will notify the Purchasing Department and Requisitioning Department of the Board's action upon the recommendation.

7.3A ST. LUCIE COUNTY STANDARD PROCEDURES FOR COMPETITIVE BIDDING
(COMMODITIES AND CONTRACTUAL SERVICES)

INTRODUCTION:

1. St. Lucie County follows the general criteria set forth in Sections 287.057 and 287.062, Florida Statutes, for the acquisition of commodities (i.e., goods) and contractual services (i.e., construction contracts, maintenance and repair contracts).
2. Compliance with these criteria is required when the procurement of commodities or contractual services is estimated to require approval by the Board of County Commissioners.
3. Compliance with the above criteria is not required in cases of valid public emergencies, if it is determined by the County Administrator in writing that such services or products are available from only one source, and if only one bid or no bids are received. In such cases, the Board will be notified at the earliest possible meeting date.
4. The Board of County Commissioners of St. Lucie County reserves the right to waive any informalities or minor irregularities, reject any and all bids which are incomplete, conditional, obscure, or which contain additions not allowed for, accept or reject any bid in whole or in part with or without cause, and accept the bid which best serves the County.

PUBLIC ANNOUNCEMENTS:

After the Board has approved the advertisement of the bid, a public announcement of the Call to Bid shall be made through a local newspaper, or other approved media and shall include a description of the project and/or goods required, and where interested bidders may apply for consideration.

A bid packet may be obtained as described in the Call for Bids.

The bid shall be considered responsive if it answers all requests for information, contains any and all required bonds, and is duly signed by an authorized officer of the entity on behalf of the entity. The County reserves the right to waive any minor irregularities.

BID SELECTION PROCEDURES:

Only complete bids shall be considered. Any incomplete bid shall be deemed as non-responsive. The following criteria shall be considered in order of importance in evaluating bids.

1. Price - Should the low bid be responsive but deviate from the specifications contained in the Call to Bid, such deviation shall be reviewed for suitability to achieve the County's purpose.
2. Delivery quoted is within the allotted time. In some instances, (i.e., in the case of emergency repairs) delivery shall take precedence over all other factors.
3. Current job status as well as past work performed for the County (in the case of vendors known to the County) shall be considered and will be given equal weight as any other of the ensuing qualifications.
4. Experience in the field of application shall be considered, and should the question of qualification arise, references shall be checked. The County reserves the right to reject any bid where an investigation of the available information indicates a bidder is not qualified to perform the obligations of the contract.

The County may disqualify Bidders or cancel the Call to Bid at any time before or after bid opening if there is any reason to believe that collusion or fraud exists among Bidders.

Once the vendor has been selected from the above criteria and the Board has approved the award, the vendor shall have 15 days from the date of receipt of the Contract in which to sign all Contracts, return the performance and payment bonds (when required), as well as the Certificates of Insurance. The subsequent Purchase Order shall follow.

In the case of the purchase of heavy equipment, vehicles, or other equipment not requiring installation, the Purchase Order shall serve as the contracting document.

7.4 ADDENDA TO SPECIFICATIONS

An Addendum to a specification shall be defined as a written addition or change in the already prepared specifications for which an invitation has been mailed for Formal Quotations or an advertisement has been published for a Formal Advertised Sealed Bid.

- a. Any Addendum to a request for Formal Quotations or Formal Advertised Sealed bids shall be approved by the Department Director or Designee. The Addendum shall clearly point out any addition or change to the specifications.
- b. The Purchasing Department shall be responsible for insuring that all Prospective Bidders who have received specifications are notified of the Addendum by Return Receipt Certified Mail or Fax. The vendor is responsible to acquire and incorporate all addenda into their bid. No Addendum shall be issued five (5) days prior to a bid opening without extending the bid opening date unless the change or clarification does not materially affect the bid.

7.5 REQUEST FOR PROPOSALS

A Request for Proposal is a purchasing method that is established around general guidelines or a description of need for a service rather than a firm specification written in detail. It is used when no fixed

criterion exists and the County is seeking proposals regarding provision of a service, for example, an engineering project or study.

- a. Request for Proposals require some degree of creativity from the vendor and shall be applied in the same manner, procedurally, as Sealed Formal Quotations or Formal Sealed Bids, requiring advertising when deemed necessary.
- b. To evaluate competitive Requests For Proposals, judgment factors may be used not only to determine whether the proposal being offered meets the scope of services described, but also to evaluate competing proposals.
- c. Under competitive sealed bidding, once the judgmental evaluation of compliance with the bid is completed, award is made on a purely objective basis to the lowest responsive and responsible bidder. Under competitive sealed proposals, the quality of competing services may be compared and tradeoffs made between price and quality of the service offered.
- d. Award under the competitive Request For Proposals is then made to the Responsible Vendor or whose proposal is most advantageous to the County.

7.6 PUBLIC ENTITY CRIMES

Pursuant to Section 287.133, Florida Statutes, the Board of County Commissioners shall not accept any bid from, award any contract to, or transact any business in excess of Ten Thousand and 00/100 dollars (\$10,000.00) with any person or affiliate on the Convicted Vendor List kept by the State of Florida Department of General Services for a period of thirty-six (36) months from the date that person or affiliate was placed on the Convicted Vendor List that unless that person or affiliate has been removed from the list pursuant to Section 287.133(3)(f), Florida Statutes. In the event that the Board of County Commissioners was transacting business with a person at the time of the commission of a Public Entity Crime which resulted in that person being placed on the Convicted Vendor List, the Board of County Commissioners shall not accept any bid from, award any contract to, or transact any business with any other person which under the same, or substantially the same, control as the person whose name appears on the Convicted Vendor List so long as that person's name appears on the Convicted Vendor List.

For the purposes of this section, the following definitions shall apply:

1. "Affiliate" means:
 - a. A predecessor or successor of a person convicted of a Public Entity Crime; or,
 - b. An Entity under the control of any natural person who is active in the management of the Entity and who has been convicted of a Public Entity Crime. The term "Affiliate" includes those officers, directors, executives, partners, shareholder, employees, members and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a Public Entity Crime in Florida during the preceding thirty-six (36) months shall be considered an Affiliate.
2. "Convicted" or "Conviction" means a finding of guilt or a conviction of a Public Entity Crime, with or without an adjudication of guilt, in any Federal or State Trial Court of Record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

3. "Convicted Vendor List" means the list required to be kept by the State of Florida Department of General Services.
4. "Person" means any Natural Person or any Entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contract for the provision of goods or services let by the Board of County Commissioners or which otherwise transacts or applies to transact business with the Board of County Commissioners. The term "Person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an Entity.
5. "Public Entity" means the State of Florida, any of its departments or agencies, or any political subdivision.
6. "Public Entity Crime" means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any Public Entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any bid or contract for goods or services to be provided to any Public Entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
7. Each Vendor shall be required to comply with the requirements of Section 287.133 Florida Statutes.
8. The following statement shall appear in all bid specifications and Requests for Proposals:

PUBLIC ENTITY CRIMES: A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to the County for the construction or repair of a public building or public work, may not submit bids on leases of real property to the County, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with the County, and may not transact business with the County in excess of \$10,000.00 for a period of 36 months from the date of being placed on the convicted vendor list.

The County will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) (Section 274A(e) of the Immigration and Nationality Act ("INA")). The County shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of the Agreement by the County.

7.7 RESOLUTION OF SOLICITATION AND PROPOSED AWARD PROTESTS

A. RIGHT TO PROTEST:

Any actual or prospective bidder or offeror who believes he is aggrieved in connection with the solicitation or proposed award of a contract may protest to the Purchasing Director. The protest shall be submitted in writing within twenty-four (24) hours after such aggrieved person knows or should have known the facts giving rise to the alleged grievance.

B. RESOLUTION OF PROTESTS:

1. The Purchasing Director shall consult with the County Attorney concerning any protest involving the solicitation or prospective award of a contract bid. Following consultation with the County Attorney, the Purchasing Director shall attempt to resolve the protest.

2. If the protest is not resolved by mutual agreement between the protesting vendor and the Purchasing Director, the Purchasing Director shall consult with the County Administrator and the County Attorney and issue a final written decision on the protest. Copies of the written decision will be mailed to the protesting vendor and any other vendor requesting a copy. Copies shall also be distributed to the County Administrator and the Department Head. The written decision shall:
 - a. State the reasons for the decision.
 - b. Inform the protesting vendor of his right to administrative review.

C. DISTRIBUTION:

A copy of this decision shall be mailed or otherwise furnished immediately to the protesting bidder and any other party intervening.

D. STAY OF PROCUREMENT DURING PROTESTS:

In the event of a timely protest, the County shall not proceed further with the solicitation or award of the contract pending resolution of the protest by the Purchasing Director, issuance of a written decision by the Purchasing Director as provided above, or determination by the Board of County Commissioners that award of the contract must be made without further delay in order to protect the substantial interests of the County.

7.8 MINORITY BUSINESS PARTICIPATION

1. Policy

All contractors are encouraged to assist Florida's small and minority businesses in doing business with the Board of County Commissioners. Each contractor in assisting small and minority businesses will help to expand and develop the small and minority business sector of St. Lucie County.

2. Definitions

- a. "Certified Minority Business Enterprise" means a business enterprise which has been certified by the State of Florida Department of Management Services as a minority business enterprise in accordance with the provisions of the "Small and Minority Business Assistance Act of 1985".
- b. "Minority Business Enterprise" means any small business concern which is organized to engage in commercial transactions, which is domiciled in Florida, and which is at least fifty-one percent (51%) owned by minority persons, and whose management and daily operations are controlled by such persons. A minority business enterprise may primarily involve the practice of a profession.
- c. "Minority Person" means a lawful permanent resident of Florida who is:
 1. A Black American - a person having origins in any of the Black racial groups in Africa.
 2. A Hispanic-American - a person of Spanish or Portuguese culture, with origins in Mexico, South America, Central America, or the Caribbean, regardless of race.
 3. An Asian American - a person having origins in any of the original people of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Island, including the Hawaiian Islands prior to 1778.

4. A Native American - a person who having origins in any of the Indian Tribes of North America prior to 1835.
 5. An American woman.
 - d. "Small Business" means an independently owned and operated business concern which employs fifty (50) or fewer full-time employees, and which has a net worth of not more than one million dollars (\$1,000,000.00). As applicable to sole proprietorships, the one million dollars (\$1,000,000.00) net worth requirement shall include both personal and business investments.
3. County Selection Procedures
- a. The County shall make a good faith effort to provide interested minority business enterprises or minority persons with adequate information about the plans, specifications and requirements of contracts or the availability of jobs;
 - b. The County shall make a good faith effort to effectively use services and resources of available minority community organizations, minority contractors' groups, local, state, and federal minority business assistance officers, and other organizations that provide assistance in the recruitment and placement of minority business enterprises or minority persons; and
 - c. The County shall make a good faith effort to provide written notice to a reasonable number of minority business enterprises that their interest in contracting with the County is being solicited in sufficient time to allow the minority business enterprises to participate effectively.
4. Minority Business Enterprise (MBE) Directory

The Minority Business Enterprise (MBE) Directory for the County shall be based upon the vendors list of certified minority business enterprises prepared and maintained by the State of Florida Department of Management Services pursuant to Section 287.0343, Florida Statutes. In addition, any business which the Small Business Administration has identified as an 8(a) firm shall be eligible for listing in the Directory. The purpose of this Directory is to enable the County's prime contractors to identify and utilize minority business enterprises.

7.9 AUTHORIZATION TO DEBAR VENDOR

The following is the procedure for the debarment of vendors. For the purposes of this procedure, Debarment means that a vendor is prohibited from submitting bids or proposals to perform work for St. Lucie County, or who fails to deliver materials or supplies, or delivers inferior goods etc., to St. Lucie County.

A. Cause for Debarment. The causes for Debarment include:

1. Entry of a plea of guilty, no contest or nolo contendere to or conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in performance of such contract.
2. Entry of a plea of guilty, no contest or nolo contendere or conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, or receiving stolen property, or any other offense indicating lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a County contractor.
3. Entry of a plea of guilty, no contest or nolo contendere or conviction under state or federal anti-trust statutes arising out of submission of bids or proposals.

3. Violation of provisions of contracts with County, as set forth below, which is regarded by the Purchasing Director as cause for Debarment:

- (a) Failure without good cause to perform in accordance with specifications or within the time limits provided in the contract; or,
- (b) A record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts within the previous three (3) years; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for Debarment.
- (c) Refusal to enter into a contract with the County by failing to provide bonds, insurance, or other required certificates within the time periods as specified in bid/RFP response.
- (d) Refusal to accept a purchase order, agreement or contract, or to perform thereon, provided such order was issued timely and in conformance with the offer received.
- (e) Presence of principals or corporate officers in the business or concern who were principals within another business at the time when the other business was suspended within the last three (3) years under the provisions of this section.
- (f) Violation of the ethical standards set forth in state law.
- (g) Providing anything of value, including but not limited to, a gift, loan, reward, promise of future employment, favor or service to any employee to influence the award of contract or purchase of items from a contract.
- (h) Any other cause the Purchasing Director determines to be so serious and compelling as to affect the credibility as a County vendor, including debarment by another government entity for any cause listed in this section.

B. Recommended Decision. The Purchasing Director shall issue a notice letter which advises a vendor that a recommendation will be made to the County Administrator to debar. The notice shall state the reasons for the action taken and inform the vendor of its rights to an administrative review.

C. Hearing Procedure.

1. Right to Request a Hearing: Any person dissatisfied or aggrieved with the notification of the Purchasing Director's determination regarding a Debarment must, within ten (10) calendar days of such notification, appeal the determination in accordance with the hearing procedures contained in this section.

2. Hearing Date: Upon receipt of the request for hearing, the County Administrator shall appoint a Hearing Officer at which time the person shall be given the opportunity to demonstrate why the recommendation of the Purchasing Director should be denied. All parties shall be given prior notice of the hearing.

3. Decision: The Hearing Officer shall render a written decision within thirty (30) days of the hearing. Any decision to debar a contractor shall be in effect for a period not to exceed three (3) years.

D. Appeals. An aggrieved party may appeal the decision of the hearing officer to the Board of County Commissioners. Such appeal shall be a hearing de novo. An appeal shall be filed within thirty (30) days of the execution of the written decision by the hearing officer. The Board's decision to debar a person or business shall be filed within thirty (30) days of the execution of the written decision by the hearing officer. The Board's decision to debar a person or business shall be final and conclusive unless the debarred person files a timely appeal of the Board's decision pursuant to the Florida Rules of Appellate Procedure.

E. Reinstatement. A person or corporation may be reinstated to do business with the County under the following conditions:

1. Discovery of new and material evidence not previously available.
2. Dismissal of indictment or reversal of condition.
3. Bonafide change in ownership or management sufficient to justify a finding of present responsibility.

The request for reinstatement shall be forwarded in writing to the Purchasing Director. The County Administrator shall determine whether to reinstate based on written submission of evidence to the above referenced office, without further hearing. Upon consideration of the written submission and any recommendation from the Purchasing Director, the County Administrator shall render the decision in writing within thirty (30) days from the receipt of a recommendation from the Purchasing Director. The decision of the County Administrator may be appealed to the Board of County Commissioners as provided in Section 7.9 D.

7.10. REQUESTS FOR QUALIFICATIONS

The Board may authorize the issuance of Requests for Qualifications (RFQ's) to select firms or businesses which are qualified to provide goods, equipment, or services based on qualifications as are approved by the Board. Responses to RFQ's shall be evaluated by the Board or the Board may authorize the County Administrator to appoint a selection committee to make a recommendation to the Board. Upon the selection of qualified firms, the Board may (1) enter directly into contract negotiations with the firm or firms determined to be qualified which may include simultaneous negotiations with two or more qualified firms or (2) issue Requests for Bids or Requests for Proposals as previously described in this Chapter. Contract negotiations may be delegated by the Board to the County Administrator or his designees. Professional services regulated by the Consultants Competitive Negotiation Act, Section 287.055, Florida Statutes, (the "CCNA") may be acquired through RFQ's provided that the requirements of the CCNA are met as described in Chapter 10 of this Manual.

7.11. PROCUREMENT PROCEDURES FOR STATE OR FEDERALLY FUNDED GRANT PROGRAMS

The Board recognizes that certain procurement procedures for state or federally funded grant programs may, from time to time, conflict with standard St. Lucie County procedures. The County Administrator, therefore, is authorized to modify County procurement procedures in order to comply with procurement procedures for state or federally funded grant programs provided that no modification may be less stringent than the corresponding County procedure unless approved by the Board. The County Purchasing Director shall maintain a list of state or federal procedures which have been administratively approved by the County Administrator.

SECTION 8 - CONTRACT PROCEDURE

8.1 CONTRACTS IN THE PURCHASING PROCESS

Because legal protection is necessary in purchasing transactions, the County has adopted certain requirements and procedures pertaining to the preparation, execution, and monitoring of purchasing contracts and agreements.

8.2 CONTRACT REQUIREMENTS

For purchasing purposes, a contract is a formal written agreement between the Board of County Commissioners (the "Board") and a selected vendor, consultant, or contractor for a particular purchase.

- a. A contract is required for:
 1. Professional Services contracts as described in Section 10.
 2. All Capital Projects as described in Section 9.
 3. All services which are to be performed on property or controlled by St. Lucie County or performed on behalf of the County on property not owned by the County.
- b. A contract may be required for any other particular purchase, if deemed necessary and requested by the Requesting Department, the Purchasing Director, the County Administrator, the County Attorney, or the Board.
- c. A contract may be entered into if required by the Vendor.
- d. Unless specifically required by the Board, the County Administrator, or the County Attorney, purchases of goods or equipment which do not include any associated services, such as installation, do not require a contract apart from the Purchase Order.

8.3 CONTRACT PREPARATION

Unless prepared by the Vendor, or as provided for below, all required contracts will be prepared under the direction of the County Attorney. If a contract is prepared by the Vendor, the contract must be submitted to the County Attorney for review and approval. The County's Risk Manager should be consulted to insure that the proper insurance requirements are included in the Contract Documents.

- a. Service Contracts for less than \$10,000.

A Purchase Order for services prepared by the Purchasing Director shall serve as the contract between the County and the vendor for services valued at total of less than \$10,000. For the purposes of yearly continuing contracts, the value may not exceed \$10,000 per year per vendor. At a minimum all Purchase Orders must contain the following terms and conditions.

1. A statement in conspicuous print which provided that the Purchase Order is subject to all of the terms and conditions on the reverse side and that the vendor by acceptance of the Purchase Order agrees to be bound by and abide by all of the terms and conditions of the Purchase Order.
 2. A condition that the vendor agrees to indemnify the County for any liability arising out of the service provided under the Purchase Order and a condition that the vendor will maintain insurance sufficient to protect the interests of the County. The amounts and types of insurance shall be provided by the County Risk Manager. No work shall be performed under the Purchase Order until the vendor has provided proof of insurance to the County.
 3. The Purchase Order should also contain such other terms and conditions as required by the County Attorney and approved by the Board.
- b. Contracts for \$10,000 or more.

Unless the contract is prepared by the vendor or the purchase is pursuant to a government contract as described above, all contracts for services for an amount of \$10,000 or more shall be prepared under the direction of the County Attorney.

8.4 CONTRACT EXECUTION

a. Contracts for more than \$10,000 but less than \$20,000.

Except for Professional Services Contracts as described in Section 10, all contracts for an amount of more than \$10,000 but less than \$20,000.00 will be prepared or approved by the County Attorney and executed as follows:

1. All contracts for an amount less than \$10,000.00 (when required) shall be returned to the Requesting Department for signature by the vendor and then to the Department Director, or his designee, for signature and then returned to the County Attorney for approval as to legal form and correctness and distribution as described below. The Division Director shall not sign any contract which has been modified by the vendor unless written approval of the modification has been obtained from the County Attorney.
2. All contracts for an amount of \$10,000.00 but less than \$20,000.00 shall be returned to the Requesting Department for signature by the vendor and then to the County Administrator, or his designee, for signature and then returned to the County Attorney for approval as to legal form and correctness and distribution as described below. The County Administrator shall not sign any contract which has been modified by the vendor unless written approval of the modification has been obtained from the County Attorney.
3. The County Attorney will keep one original of the fully executed contract for the County Attorney files, and will provide an original to the Finance Director, a copy to the Purchasing Director and two originals to the Requesting Department who will provide an original to the vendor.

b. Contract Execution for More than \$20,000.00

Contracts for an amount of more than \$20,000.00 will be executed as follows:

1. Following preparation or approval by the County Attorney, all contracts and contract documents shall be returned to the Requesting Department.
2. The Requesting Department will have the selected vendor execute the contract prior to signature on behalf of the County.
 - a. Originals of the contract shall be forwarded to the vendor with instructions as to how the contract shall be executed.
 - b. The vendor must return all copies of the contracts to the Requesting Department.
3. After receipt of the signed originals from the vendor, the Requesting Department must agenda it for presentation to the Board for their consideration. However, if the Board has already approved the contract or has approved obtaining the services from the vendor subject to the preparation of the standard County contract approved by the County Attorney, the signed originals from the vendor will be returned to the County Attorney to obtain the signature of the Chairman of the Board, or the Vice-Chairman in his absence. All contracts executed by the Board must be attested to by the Clerk of the Board or a Deputy Clerk as determined by the Clerk.
4. After Board approval, the County Attorney will obtain the signature of the Chairman of the Board, or the Vice-Chairman in his absence.

5. The County Attorney will keep one original of the fully executed contract for the County Attorney file, and will provide an original to the Finance Director, a copy to the Purchasing Director and two originals to the Requesting Department who will provide an original the vendor.

8.5 CONTRACT RECORDING PROCEDURE

For monitoring and control purposes, all County Contracts will be logged and recorded with the Finance Department.

- a. After the contract has been executed by the appropriate County official, the County Attorney's office will contact the Finance Department for recording and contract number assignment. The County Attorney's office will record the contract number of the contract prior to distribution of the contract as described above. The Finance Department will establish a primary individual, and alternatives, responsible for timely processing of contract.

Contract Number: The contract number shall be assigned in the following format:

- b. After the Finance Department shall record the contract in a Master Control Log including, but not limited to, the Execution Date, Contract Party, Project Number (if any) and assigned CYY-MM-SS, where:

CYY = C followed by the calendar year of logging

MM = The month of the calendar year

SS = A number sequentially assigned in the month

- c. From its copy, the Finance Department shall establish a Master File Folder for the contract in its central files.

8.6 ISSUANCE OF CONTRACT PURCHASE ORDER

- a. Upon receipt of the signed and attested contract Document, the Requesting Department will prepare the Requisition Form for the contract. The Contract Number assigned by the Finance Department will be entered on the Required Form in the format: "CYY-MM-SS," as per Section 8.6(b)(1) as well as the date of the Board of County Commissioner approval if greater than \$20,000.
- b. After receipt of the updated Requisition Form, the Purchasing Department will prepare a Purchase Order for the contract in accordance with Section 12 of this manual.

8.7 CONTRACT AMENDMENTS

If it becomes necessary to amend the terms of the contract, a formal, written contract amendment must be prepared. The amendment must be approved by the official or Board which approved the original contract and should be processed following the same procedure used for the original contract. However, if the amendment of the contract increases the total dollar value of the contract above the original threshold value for execution as described above, the procedure for the higher threshold value should be used.

SECTION 9 - CONSTRUCTION CONTRACTS

9.1 CAPITAL CONSTRUCTION POLICY

Because of their complexity and high cost, all capital construction projects to be performed by outside contractors must be awarded through formal sealed bids, formal quotations, or informal quotations through the Purchasing Department.

- a. For construction contracts of \$20,000.00 or more, the contractor will be selected through formal sealed bids.
- b. For construction projects under \$20,000.00 but greater than \$7,500.00, the contractor will be selected through formal quotations.
- c. For construction contracts under \$7500.00, the contractor will be selected through informal quotations.
- d. Construction contracts will be awarded only to a contractor who is certified or licensed by the County and/or State as appropriate, and has provided proof of insurance in amounts satisfactory to the County.

9.2 CONSTRUCTION PROPOSALS

To initiate a capital construction project, a Department must prepare a request and submit it to the Purchasing Department.

- a. The request should be prepared by the Department Director in the form of memorandum.
- b. If the project involves the construction, alteration, remodeling, or repair of a County-owned building, the request and specifications shall be reviewed by the Central Services Department.
- c. The request should include all necessary detailed specifications, including:
 1. A Call to Bid or request for formal quotations.
 2. A list of instructions to bidders or to responders to a request for formal quotations.
 3. A Bid or quotation form.
 4. If contractor selection is to be through formal sealed bids, a bid bond form, if appropriate.
 5. A Public Construction Bond form, if appropriate.
 6. General and special conditions and technical provisions.

9.3 CONSTRUCTION CONTRACT AWARD

After a contractor has been selected for a construction project and approved by the Board of County Commissioners, the construction contract will be prepared and executed as follows:

- a. The Requesting Department will prepare a contract pursuant to Section 10 of this manual using the date the Board awarded the bid to the contractor. In preparing the contract the Department shall use the contract form(s) developed by the County Attorney. All contracts will be reviewed by the County Attorney before being sent to the contractor for execution. Copies of all bid documents and contract attachments along with the relevant Board of County Commissioners minutes shall be attached to the contract when sent to the County Attorney for review.
- b. Upon compliance with the procedure set forth in Section 8 and approval, the Requesting Department will have the successful contractor execute the contract.
 1. Contract originals will be forwarded to the contractor with instruction as to how to execute the contract.

2. The successful contractor shall obtain a public construction bond, if required, and a certificate of insurance. Section 9.7 of this manual outlines the requirements for bonding and insurance.
 3. The successful contractor must return all copies of the contract, with the public construction bond, if required, and the certificate of insurance to the County Attorney.
- c. After receipt of the signed contract, originals from the contractor, the County Attorney will have the contract executed by the Chairman of the Board of County Commissioners pursuant to Section 8.4 of this manual.
 - d. The County Attorney will send a fully executed original to the Finance Department and the Requesting Department Director who will transmit one (1) original to the vendor and a copy to the Purchasing Department
 - e. The Requesting Department will prepare and submit a REQUISITION, to the Purchasing Department as provided in Section 6 of this manual
 - f. After contract execution, the contract procedures outlined in Section 8 of this manual will be followed.
 - g. After receipt and review of the REQUISITION, the Purchasing Department will prepare a PURCHASE ORDER for the contract as provided in Section 12 of this manual.

9.4 CONTRACT INITIATION

After contract execution, the County Attorney and the Requesting Department will initiate the contract with the contractor in the following manner:

When the Department is ready to proceed with the construction work, the Department Director will forward to the contractor one executed copy of the contract, the NOTICE TO PROCEED, and the Purchase Order. A copy is to be sent to the Purchasing Department, Finance Department, County Attorney, and County Administrator.

9.5 CONTRACT CHANGE ORDER

After a contract has been awarded, and if the Requesting Department finds it necessary to initiate a change order, the change order must be approved by the Board of County Commissioners in excess of \$25,000.00.

- a. The Department must prepare and submit a Contract Change Order to the County Administrator for referral to the Board of County Commissioners.
 1. The Department must prepare and submit a PURCHASE ORDER CHANGE FORM in conjunction with the contract change, as provided in Section 12.3 of this manual.
 2. The Department must reference the "contract number" on both the contract change order and the PURCHASE ORDER CHANGE FORM.
- b. After review, the County Administrator will submit the request to the Board of County Commissioners for their consideration if required, based on the dollar amount of the change.
- c. After approval by the Board of County Commissioners, the procedure outlined in Section 8.4 of this manual will be followed.

9.6 CONTRACT AMENDMENT

After a contract has been awarded, and if it becomes necessary to amend the terms of the contract, the amendment must be approved by the Board of County Commissioners if the original contract was approved by the Board of County Commissioners. If the original contract was not signed by the Board, the contract amendment may be signed by the person who signed the original unless the new total amount of the contract requires a higher level of authorization. In that case, the amendment shall require approval by that

level of authorization. The County Administrator shall approve contract change orders up to \$25,000.00, however, no change order shall exceed the original budget as agreed to by the Board.

- a. The County Attorney must prepare and submit a contract amendment to the vendor for execution with instruction as to how to execute the amendment.
- b. After receipt of the executed contract from the contractor, the County Administrator will submit the amendment to the Board of County Commissioners for their consideration, if required according to the dollar amount of change.

9.7 BONDING AND INSURANCE REQUIREMENTS

a. Public Construction Bond

Section 255.05, Florida Statutes, provides that any person entering into a formal contract with the Board of County Commissioners for the construction or repair of any public building or public work shall be required to execute the usual Penal Bond with good and sufficient sureties. Section 255.05, Florida Statutes, further provides that the Board of County Commissioners, in its discretion, may exempt any person entering into a contract that is for \$200,000.00 or less from executing the usual penal bonds for construction and repair on public buildings and public work. The Board has determined to not require a public construction bond for projects under \$50,000.00 unless deemed necessary by the Requesting Department or Purchasing Department. Request for waiver of the bond requirements between \$50,000.00 and \$200,000.00 shall be reviewed and approved by the County Administrator on a case-by-case basis.

b. Liability Insurance

The contractor shall be required to purchase and maintain such insurance as will protect him or her from claims set forth below that may arise out of or resulting from the contractor's operations under the contract, whether such operations be by the contractor or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable for:

1. Claims under Workers' or Workmen's Compensation, Disability Benefit, and other similar employee benefit acts;
 2. Claims for damages because of bodily injury, occupational sickness or disease, or death of the contractor's employees;
 3. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the contractor's employees;
 4. Claims for damages insured by usual personal injury liability coverage which are sustained (1) by any person as a result of an offense directly or indirectly related to the employment of such person by the contractor, or (2) by any other person;
 5. Claims for damages, other than to the work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; and;
 6. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.
- c. The insurance required by Section 9.7(b) shall be written for not less than any limit of liability specified in the contract documents, or required by law, whichever is greater. The insurance required by Section 9.7(b) shall include contractual liability insurance applicable to the contractor's obligations.

- d. The contractor shall purchase and maintain property insurance upon the entire work at the site to the full insurable value (replacement cost) thereof. This insurance shall include the interest of the County, the contractor, subcontractors and sub-subcontractors in the work and shall insure against the perils of fire and extended coverage and shall include "all risk" insurance for physical loss and damage including, without duplication of coverage, theft, vandalism, and malicious mischief. If the County is damaged by failure of the contractor to purchase or maintain such insurance and to so notify the County, then the contractor shall bear all reasonable costs properly attributable thereto. If not covered under the all risk insurance or otherwise provided in the contract documents, the contractor shall effect and maintain similar property insurance on portions of the work stored off the site or in transit when such portions of the work are to be included in an application for payment.
- e. The contractor shall file with the County certificates of insurance acceptable to the County prior to commencing the work. These certificates shall contain a provision that coverages afforded under the policies will not be canceled until at least thirty (30) days prior written notice has been given to the County.
- f. The policy forms must include:
 - 1. Comprehensive General Liability (Broad Form) covering premises, operations, products and completed operations, independent contractors, personal injury, owners and contractors protective liability, broad form contractual liability (to include covering the indemnity section of this contract), and property damage resulting from explosion, collapse, or underground exposures. The insurance certificate shall name the County as an additional named insured.
 - 2. Comprehensive Auto Liability covering all owned, hired, leased and non-owned vehicles.
 - 3. Workers' Compensation covering the Florida exposures including voluntary compensation; and Federal and other State Benefits if any exposure exists.

SECTION 10 - PROFESSIONAL SERVICES CONTRACTS

10.1 COMPETITIVE NEGOTIATIONS POLICY

Because price differences may only be a minor consideration compared to the quality of the professional's work, Professional Services are exempted from the County's competitive bidding policy. Instead, Professional Services will be acquired through competitive negotiations. The Professional Services procedure described below also insures that the County complies with Section 287.055, Florida Statutes, known as the Consultant's Competitive Negotiation Act (the "CCNA").

10.2 PROFESSIONAL SERVICES DEFINITION

A Professional Service is assistance obtained in support of County operations from a consultant in a professional field. Services in the following fields are considered Professional Services:

- a. Medical Services - medicine, psychiatry, dental, hospital, and other health professionals.
- b. Legal Services - attorneys, including bond counsel, title insurance and services, and other legal professionals or experts.
- c. Financial Services - rating and underwriting, financial advisor, investment related or other financial services.
- d. Professional Services Regulated by the CCNA, and as may be amended from time to time, including those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of the State of Florida, or those Professional Services performed by any architect, professional engineer, landscape architect, or registered surveyor or mapper in connection with his or her employment or practice.
- e. Appraisal Services - real and personal property appraisers.
- f. Audit and Accounting Services - auditors and accountants.
- g. Consultants - Planning, Management, or Scientific Consultants.

10.3 PROFESSIONAL SERVICES AUTHORIZATION

- a. Legal Services - All requests for outside legal services shall be approved by the County Administrator and the County Attorney within the amount budgeted for professional legal services by the Board of County Commissioners. If so approved, all requests for legal services shall be referred to the County Attorney for negotiation.
- b. Auditor Services - All requests for Auditor Services will be referred to the Auditor Selection Committee established pursuant to Section 11.45, Florida Statutes, and as amended from time to time. Negotiations for such services shall be conducted as described therein.
- c. Professional Services obtained by or paid for by the County for the benefit of indigent criminal defendants shall be processed as provided in Section 16 of this Purchasing Manual, and shall be considered as Grants in Aid, and not Professional Services.
- d. Financial Services - All requests for financial services to include rating and underwriting, financial advisor, investment related and other financial services shall be approved by the Board of County Commissioners.
- e. Authorization for obtaining the services described below shall be approved by the County Administrator. These services are exempt from the Professional Services Negotiation procedure described therein as well as from all other competitive purchase requirements and therefore, no further authorization is required. The County Administrator may, however, require the Department requesting the services to prepare an RFP and to follow the Professional Services Negotiation

procedure described below. Contracts for these Professional Services shall be prepared in accordance with Chapter 8 of this Purchasing Manual except that the County Administrator shall execute all Professional Services contracts up to and including a fee of \$20,000.00.

1. Appraisal Services - real and personal property appraisers.
 2. Professional Services for a total fee of \$20,000.00 or less, excluding Professional Services Regulated by the CCNA.
 3. Professional Services Regulated by the CCNA for a total fee of \$25,000.00 or less for a planning or study activity or for a project the basic construction costs of which are not expected to exceed \$250,000.
- f. Authorization for requests for all non-exempt Professional Services must be reviewed by the County Administrator. Selection of firms to provide these services must follow the Competitive Negotiation Section procedure described below. If the Professional Services have been previously approved by the Board in the Requesting Department's budget for that fiscal year and unless otherwise required by the County Administrator, no further approval of the request is necessary. However, if the Professional Services have not been previously approved, or if required by the County Administrator, the request must be approved by the Board.

10.4 REQUESTS FOR PROPOSALS

Upon receiving the appropriate request approval, the Requesting Department shall prepare a Request for Proposals ("RFP") using a form approved by the County Attorney and provided by the Purchasing Director. The RFP shall solicit proposals (the "Proposals") from interested firms (the "Proposers") to provide the requested service and at a minimum shall include:

- a. A description of the scope of services requested. The description shall be sufficient to assure that all Proposers have the same understanding of the requested basic services.
- b. A request for specific and general information on how the Proposer will proceed with the project including written documentation of the Proposer's expertise and ability to perform the requested service.
- c. Specific instructions on how, when, and where the proposals shall be submitted including the date the proposal will be opened.
- d. A requirement that the proposal be submitted as a sealed package.
- e. If the request is for Professional Services Regulated by the CCNA, the RFP shall also include a statement that the Proposer shall not include proposed compensation as part of the proposal or that proposed compensation shall be provided in a separate sealed package. Such proposals for compensation will only be considered during competitive negotiations.
- f. A statement that the Board reserves the right to reject all irregular proposals or to reject all proposals if it is deemed by the Board to be in the best interest of the County.
- g. A statement of the factors which will be considered in selecting the most qualified Proposer.
- h. In an RFP requesting proposals from design firms, including but not limited to engineering and architectural firms, the Board may include a requirement that the Proposer provide a conceptual design of the project along with the proposal.

10.5 PROFESSIONAL SERVICES NEGOTIATIONS

Unless waived by the Board in accordance with this Section, the following procedure shall be followed in obtaining Professional Services regulated by the CCNA for a total fee of more than \$25,000.00 for a planning or study activity or for a project the basic construction cost of which is expected to exceed \$250,000.00, as

well as for all other non-exempt Professional Services. In addition, it is the intent of the Board that the procurement of all Professional Services regulated by the CCNA shall be in accordance with the CCNA, as it may be amended from time to time and therefore, any conflict between this Purchasing Manual and the CCNA shall be interpreted in accordance with the CCNA.

- a. Public Announcement - After approval of a request for Professional Services as described above, the Purchasing Department will notify appropriate Proposers on the Master Bidders List or List of Consultants of the proposed project. In addition to such notification, a public notice shall be placed in a newspaper of general circulation in the County describing the services required and a closing date for receipt of proposals. Publications of statewide and nationwide distribution may be utilized for such notices if the magnitude of the project warrants. Such notice requirements may be waived by the Board except when the requirements are required by state law in which case the Proposer at a compensation which is fair, competitive and reasonable. If the Committee or the Board is unable to negotiate a satisfactory contract with the first Proposer, negotiations with that Proposer shall be terminated and the Committee or the Board shall attempt to negotiate a contract with the next most qualified Proposer. If these negotiations are not successful, negotiations shall be terminated with the second Proposer and attempted with the third most qualified. If the Board or the Committee is not successful in negotiating a satisfactory contract with any of the selected Proposers, the Board or the Committee shall select additional Proposers in the order of their qualifications and continue negotiations until an agreement is reached or if no agreement can be reached the Board may reject all proposals and may thereafter re-advertise for new proposals.

10.6 PROFESSIONAL SERVICE CONTRACTS

After a Professional Service Contract has been successfully negotiated as set forth above, the Department that requested the service will submit the contract, together with the recommendations of the Committee when required, to the Board for final approval. All contracts negotiated by the Committee shall be subject to final approval by the Board unless such approval is waived by the Board.

- a. The Contract Procedure described in Section 8 of this manual shall be followed.
- b. After Board approval, the Requesting Department shall prepare and submit a REQUISITION to the Purchasing Department, as provided in Section 6 of this manual.
- c. After receipt and review of the REQUISITION, the Purchasing Department will prepare a PURCHASE ORDER for the purchase as provided in Section 12 of this manual.

10.7 COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG") PROFESSIONAL SERVICES PROCUREMENT PROCEDURE

In accordance with the federal regulations governing Community Development Block Grant ("CDBG") funds, the County shall adhere to the following procedures when obtaining professional services for CDBG projects. To the extent that the procedures set forth in this section conflict with other provisions of the Purchasing Manual, the provisions of this section shall control.

- a. Any public notice and/or Request for Proposals ("RFP") shall identify all evaluation factors and the maximum points which may be scored for each factor;
- b. The public notice shall be published in a newspaper of wide circulation in the region outside the County, or the RFP shall be mailed to firms outside the County which can provide the service and documentation of the mailings shall be maintained by the Purchasing Division;
- c. An evaluation procedure for selecting order of negotiation shall be identified in the public notice and/or RFP and shall be limited to one of the following methods:
 1. The selection committee shall rank all proposals using a scoring form identical to the published evaluation criteria and forward the ranked listing of all proposers for approval or disapproval (only) to the Board of County Commissioners. If the Board rejects the ranking, the procurement process must start again from the development of another RFP.

2. The selection committee shall rank all proposals and forward the top three firms to the Board, without identifying the relative ranking of firms. Each Commissioner shall then rank each firm using a scoring form identical to the published selection criteria. Each Commissioner shall establish his personal ranking order based on the highest total points scored and the scoring sheets shall be maintained in the grant files as a public record. A summary of each Commissioner's personal ranking shall be created and one point shall be awarded if a firm is ranked number one by a Commissioner, two points if ranked number two, and so on. The County shall first enter into negotiations with the firm with the lowest score. If those negotiations are unsuccessful, the County shall enter into negotiations with the firm with the second lowest score, and so on.
 3. The Commission shall review and score all firms in the matter described above in Section 10.7(c)(2) without the use of a selection committee or other screening method.
- d. As part of the contract negotiations, the selected firm shall provide to the County a detailed breakout of its proposed fees. This breakout shall include, at a minimum, a complete identification of the anticipated level of work to be performed with each task, the expected hours to complete each task, an identification of the personnel expected to complete each the task, the hourly rates of each person involved in the task, and the anticipated rate of profit for the project.
 - e. The County shall include as part of the completion of the CDBG procurement process a checklist in a form approved by the Florida Department of Community Affaires, This checklist is to be kept by the County department/division applying for CDBG funds.
 - f. The County shall follow the protest procedure as outlined in Section 7.8 of the Purchasing Manual. In the event a protest in connection with the solicitation for the proposed award of a contract for services in a CDBG project is received by the County, A written notification shall be sent to the Florida Department of Community Affairs, if such protest is received, as required by 24CFR 85.36 (b)(12).
 - g. When a single public notice is used for different professional services, such as grant administration and engineering, in the CDBG procurement process, the public notice shall state that there shall be separate evaluations and separate contracts for each service. The County shall maintain separate scoring sheets in the CDBG project files for each contract.

SECTION 11 - EMERGENCY PURCHASES

11.1 EMERGENCY PURCHASE POLICY

Although competitive bidding is desirable for most purchases, when an Emergency arises, the normal procedure is to time consuming. For this reason, the County has adopted an Emergency Purchases Procedure.

11.2 DEFINITION OF AN EMERGENCY

For purchasing purposes, an Emergency is defined as: an unforeseen situation involving a breakdown of County service and an urgent need to restore that service to avoid serious and adverse consequences affecting the life, health, welfare, or property of the citizens of St. Lucie County.

11.3 EMERGENCY PURCHASE AUTHORIZATION

Emergency Purchases are authorized when there is an Emergency, and there is an immediate need for items or services to deal with the Emergency.

- a. If the Emergency occurs during normal working hours, the Department must attempt to obtain appropriate authorization for the purchase through telephone or verbal communications by notifying the Purchasing Department and submitting a REQUISITION through the steps required in Section 6 of this manual.
- b. In an Emergency situation, the County Administrator may authorize an Emergency Purchase and waive any bid requirement.
- c. If the Emergency occurs at night, on weekends, or on holidays, the Department Director may initiate independent action as provided in Section 11.4.

11.4 EMERGENCY PURCHASE OVER \$10,000

For Emergency Purchases over \$10,000, the Department Director must attempt to obtain the authorization of the County Administrator or his Designee.

- a. If time permits, the Department Director will notify the County Administrator or his Designee of the Emergency and request authorization to make the Emergency Purchase.
- b. After attempting to obtain authorization from the County Administrator or his Designee, the Department Director may make the necessary purchases of the needed items or services.
- c. If the Department Director was unable to obtain prior authorization, the Department Director will obtain from the County Administrator or his designee "after the fact" approval of the purchase on the next working day.
- d. The County Administrator will request "after the fact" approval from the Board of County Commissioners at its next regular scheduled meeting.

11.5 EMERGENCY PURCHASE FOLLOW-UP

When an emergency purchase has been made, on the first working day afterward, the department will follow-up the purchase with the preparation and submission of a requisition. The Department will prepare and submit a requisition as provided in Section 6 of this manual.

- a. The fact that the purchase was an emergency purchase should be "Highlighted" at the top of the description area.
- b. The Department Director will prepare a signed statement describing the emergency and stating the need for the emergency purchase.

1. This emergency statement will be submitted to the Purchasing Department along with the requisition.
 2. The emergency statement must also be signed by the Department Director, and the County Administrator, if involved, certifying their authorization of the Emergency Purchase.
- c. Upon receipt of the requisition form and Emergency Statement, the Purchasing Department will prepare a purchase order for the purchase as per Section 12 of this manual.

SECTION 12 - PURCHASE ORDER

12.1 PURCHASE ORDER PREPARATION

A purchase order form will be prepared by the Purchasing Department for all purchasing transactions on the County's financial records.

- a. After receipt of a requisition form, the selection of the vendor and the award of the purchase, the Purchasing Department will complete and distribute the purchase order.
- b. The Purchasing Department will enter the details of the purchase on the purchase order form.
- c. After entering the details, the Purchasing Department will assign the requisition form a purchase order number.
- d. The Purchasing Department will distribute the final version of the completed purchase order form.
 1. The first copy of the document shall be sent to the vendor by the Requesting Department.
 2. The second copy of the document will be sent to the Finance Department.
 3. The third copy of the document will be retained by the Purchasing Department for reference.
 4. The fourth copy of the document will be sent to the Requesting Department and will serve as the Department's file copy.
 5. The fifth copy will be for receiving and payment purposes.

12.2 MULTIPLE PURCHASE ORDERS

A Multiple Purchase Order will be used when more than one invoice is expected for a single purchase order.

- a. The issuance of Multiple Purchase Orders in advance will be permitted on an as needed basis in amounts less than \$5000 or in amounts at the discretion of the Purchasing Director.
- b. Upon receipt of the fifth copy of the encumbered requisition document, the Requesting Department will make additional invoices expected, which will serve as additional receiving reports.

12.3 PURCHASE ORDER CHANGES

If a Department desires to cancel or change a PURCHASE ORDER, the Department must prepare and submit a PURCHASE ORDER CHANGE FORM to the Purchasing Department.

- a. The PURCHASE ORDER CHANGE FORM is a 4-part paper document, which will be typed when prepared. The change order must be approved by the Finance and Purchasing Departments prior to the change being effective.
 1. Blank, pre-numbered forms will be issued by the Finance Department.
- b. By preparing the PURCHASE ORDER CHANGE FORM, the Department may:
 1. Cancel a Purchase Order,
 2. Change the account purchase order will be charged to,
 3. Increase or decrease the amount of the Purchase Order,
- c. An increase in excess of the original authorization will require the higher-level authorization on the form.
- d. When making a final payment and/or closing out a Purchase Order, a decrease is not necessary.

- e. To complete the preparation of the PURCHASE ORDER CHANGE FORM, the Department must acquire the appropriate authorization for the form prior to submitting the form to the Purchasing Department.
- f. After preparation and authorization, the PURCHASE ORDER CHANGE FORM, all copies, will be submitted to the Purchasing Department.
- g. Upon receipt of a purchase order change form, the Purchasing Department will review the form to determine proper preparation and authorization, the same as per Section 6.5 of this manual.
- h. After review, the Purchasing Department will process all properly prepared and authorized PURCHASE ORDER CHANGE FORMS.
 - 1. The purchasing Department shall have the authority to accept or reject the proposed changes as it may affect any outside vendor or purchasing transaction agreed to with any outside vendor.
 - 2. The Requesting Department will inform the vendor of any change in the transaction of which will affect the vendor.
 - 3. If the proposed change is approved, the Purchasing Department will indicate such by affixing an authorization signature to the form.
 - 4. If the proposed change is approved, the Purchasing Department will distribute the copies of the form the same as per Section 12.1(d).
 - 5. If the proposed change is not approved, the Purchasing Department will return the form to the Requesting Department with an explanation of why the change was not approved.

SECTION 13 - RECEIVING

13.1 RECEIVING OF ORDERS

A Department should receive ordered items or services at the place and within a reasonable time as indicated on the completed and encumbered Purchase Order Form and/or Contract Documents.

- a. It is the responsibility of the Department to inform the Purchasing Department of any unreasonable delay in delivery.
- b. The Department will assist the Purchasing Department in contacting the vendor regarding any such delay.

13.2 RECEIVING REPORT

The Receiving copy of the completed Purchase Order returned by the Purchasing Department shall serve as a receiving report.

- a. For a Multiple Purchase Order, the Department should make additional copies as additional receiving reports for each delivery.
- b. All receiving reports should be placed in a "Receiving" File by the Department pending the delivery of the ordered items or service.

13.3 RECEIVING PROCEDURE

When an item or service is received, a Receiver for the Department should:

- a. Identify vendor and item(s) or service being delivered.
- b. Obtain receiving report from file. If no receiving report is available, contact Purchasing Department to identify purchase order number and details. Use Shipper's Document as the receiving report, but the receiving report must also be completed when it is available.
- c. Check all packages against the shipping Bill of Lading.
- d. Note any evidence of damage to packaging on Bill of Lading and on the receiving report.
- e. Inspect contents for proper quantity, specifications, as per the receiving report.
- f. Note any damage or discrepancy on the Bill of Lading and on back of the receiving report.
- g. Sign and date the receiving report and any documents (Bill of Lading, Packing Slip, Invoice, etc.) accompanying the delivery (signature must be that of the person who personally received the delivery). The date shall be the date the documents are received.
- h. Forward the receiving report and any documents accompanying the delivery (Bill of Lading, Packing Slip, Invoice, etc.) to the Department's Authorized Requisitioner.

SECTION 14 - PAYMENT PROCEDURES

14.1 PAYMENT AUTHORIZATION

To initiate payment for a received order from an outside vendor, the Department will submit the receiving report and the invoice for the order to the Finance Department.

- a. After receiving the completed receiving report and the invoice for a completed order, the Department's Requisitioner will authorize payment by signing receiving report, and then submit it to the Finance Department.
- b. If the order was incomplete, and only a partial shipment was accepted, the Department shall;
 1. As shipments are received, the Department will authorize payment on one of the copies made of the receiving report and submit to the Finance Department.
- c. The remaining copies will be held until future shipments come in.
- d. Upon receipt of last shipment, the original copy should be marked "Final Invoice," authorized for payment, and submitted to the Finance Department.
- e. See Section 5.3 for payment of items using Check Request Form.

14.2 CONSTRUCTION CONTRACT PAYMENT AUTHORIZATION

All payments for Construction Contracts will be initiated by a Department by utilizing a REQUEST FOR PAYMENT FORM.

- a. A Department will requisition periodic payments for a Construction Contract on a REQUEST FOR PAYMENT FORM.
- b. To authorize the final payment for Construction Contract, the Department must obtain a Release of All Liens from the Contractor.
 1. Upon completion of the construction, but prior to final payment, the appropriate Department Director shall be responsible for obtaining a Release of Liens from all Subcontractors and sworn statement from the General Contractor that all persons, firms, and corporations who have furnished services, labor or materials in the construction of the premises have been paid and that there are no outstanding monies owed on the contract by the General Contractor. The Release of Liens will be submitted to the County Attorney for review.
 2. The properly executed Release of Liens and a written certification by the Department Director that the project has been completed per plans and specifications will be forwarded to the County Administrator for review and approval.

14.3 PAYMENT FOR ORDERS

After receiving a receiving report or payment request, the Finance Department will process it for payment in accordance with the appropriate procedure for processing invoices.

- a. Payment checks will be issued by the Finance Department weekly on Tuesday.
 1. To have a check issued for an order, the receiving report/payment request and invoice must be submitted to the Finance Department by noon on the preceding Thursday.
- b. It shall be County policy that vendors should mail original Invoices with duplicate copies directly to the Finance Department. All invoices shall be marked as to the date of receipt.

1. If Vendor Invoices, Credit Memos, Monthly Statements, are inadvertently mailed to a Department, the Department should promptly forward them to the Finance Department within five (5) days of receipt.
 2. The Finance Department will maintain all invoices on file for use in processing payments for orders.
 3. Any Invoices, Credit Memos, or Monthly Statements forwarded by the Finance Department to the Department for review and/or verification shall be returned to the Finance Department within five (5) days of receipt.
- c. Payment shall be made within forty-five (45) days of receipt of the Invoice by the Finance Department.
- d. If a proper invoice is not received by the County, payment shall be made within forty-five (45) days from the date:
1. On which delivery of personal property is accepted by the County;
 2. On which services are completed;
 3. On which the rental period begins; or
 4. On which the County and the vendor agree in a contract which may provide dates relative to payment periods.
- e. If the terms under which a purchase is made allows for partial deliveries and a proper invoice is submitted for such a partial delivery, then the time for payment for such partial delivery shall be calculated from the time of such partial delivery and the submission of such invoice as provided above in Subsection 14.3(d).
- f. All payments due from the County not made within the time specified within this section shall bear interest from thirty (30) days after the due date at a rate of one percent (1%) per month on the unpaid balance. Any overdue period of less than one (1) month shall be considered as one (1) month in computing interest. Unpaid interest shall compound monthly. With respect to each past due payment, interest shall cease to accrue after interest on that payment has accrued for twelve (12) months. For purposes of this section, one (1) month shall constitute a period beginning on any day of one (1) month and ending on the same day of the following month.
- g. No Contract between the County and a vendor shall prohibit the vendor from invoicing the County for late payment interest allowable under this section.
- h. Any dispute involving an Invoice shall be resolved in the following manner:
1. In any case in which an improper invoice is submitted by a vendor, the Finance Director, within ten (10) days of receipt of the improper invoice, shall notify the vendor that the invoice is improper and indicate what corrective action on the part of the vendor is needed to correct the invoice,
 2. In the event a dispute occurs between the Finance Director and a vendor, the vendor may appeal the decision of the Finance Director to the Director of Management & Budget no later than forty-five (45) days after receipt of the proper invoice by the Finance Department. The appeal shall be filed with the Office of Management & Budget using a form provided by the County and shall state the nature of the dispute and the vendor's requested relief. Within five (5) days of receipt of the appeal by the vendor, the Finance Director shall provide the Office of Management & Budget with a written report on the dispute. The Office of Management & Budget may request additional information from the vendor and the Finance Director as he/she feels necessary. The Office of Management & Budget shall issue a written decision on the dispute within sixty (60) days of the date of the receipt of the proper invoice by the Finance Department.

3. If the Office of Management & Budget resolves the dispute in favor of the County, interest charges shall begin to accrue fifteen (15) days after the issuance of the County Attorney's final decision. If the dispute is resolved in favor of the Vendor, interest shall begin to accrue as of the original date the payment became due.
4. During December of each year, the Office of Management & Budget shall report to the Board of County Commissioners the number of interest payments made by the County under this section during the preceding fiscal year and the total amount of such payments.

14.4 PAYMENT LIMITS

The Finance Department may not make any payment on any purchase that exceeds the payment limit on a Purchase Order or the contract amount of a Contract.

- a. For a Purchase Order only, the amount of the Purchase Order plus 10% or \$100.00 whichever is less, is the payment limit.
- b. For a Contract, the Contract amount is the firm payment limit.
- c. When an excess payment over the payment limit or contract amount is invoiced by the vendor, the Finance Department will notify the Purchasing Department and Department concerned.
- d. If the Department wishes to pay the excess amount, it must prepare and submit a PURCHASE ORDER CHANGE FORM, as per Section 12.3, and/or a Contract Change Order approved by the Board of County Commissioners as per Section 8.9 of this manual.
- e. After the Purchase or Contract Amount has been increased to the appropriate figure for the higher than expected invoice, the Finance Department may then make payment up to the appropriate amount.
- f. If the Purchase or Contract Amount is not increased, the Finance Department may make payment only up to the originally authorized payment limit or Contract Amount.

SECTION 15 - TRAVEL AND EDUCATIONAL EXPENSES

15.1 TRAVEL AND EDUCATIONAL REIMBURSEMENTS

When County officials or employees spend their personal resources for Travel or Education, which is in the course of County business or in support of a County purpose, such officials and employees may be reimbursed for such expenses from County funds.

15.2 IN COUNTY TRAVEL AUTHORIZATION

When authorized, County employees may, for County business, utilize their personal vehicles and incur personal expenses for travel within St. Lucie County and shall be eligible for reimbursement for the allowable expenses of such travel.

- a. Employees who travel frequently on County business, 250 miles or more per month, shall be eligible for a fixed monthly reimbursement.
 1. To authorize such, a Department will prepare each fiscal year a list of all Departmental Employees who should receive fixed monthly reimbursements and amount of their monthly allowances.
 2. The list should be forwarded to the County Administrator for review and approval.
 3. After approval, the County Administrator will return a copy of the approved list to the Department and also forward copies to the Finance Department.
 4. Any changes to the list during the fiscal year should be approved and processed in the same manner.
 5. The monthly allowance for an employee should be based on a signed statement of the employee showing the places and distances for a typical month's travel on official business and the amount that would have been allowed under the approved rate per mile for the travel shown in the statement if payment had been made pursuant to Section 112.061(7)(d), Florida Statutes.
 - a. New Employees shall submit such a signed statement showing at least one month of actual mileage of 250 miles or more prior to being placed on the list.
 - b. Other Employees on the list shall submit such a signed statement annually showing that they still incur in one- month actual mileage of 250 miles or more to remain on the list.
 6. The allowable reimbursement for such travel will be limited to the fixed monthly allowance approved by the County Administrator.
- b. Employees who travel less than 250 miles per month on County Business shall be eligible for a variable reimbursement based upon actual mileage traveled and for actual travel-related expenses incurred.
 1. To authorize such, a Department will annually prepare a TRAVEL EXPENSE REQUEST FORM and submit it to the Finance Department for the Employee's Travel Reimbursement.
 2. The allowable reimbursement for such travel will be the approved mileage rate for miles traveled and other actual travel-related expenses for tolls, parking fees, transit fares, and phone calls.
 3. Expenses for lodging and meals may not be reimbursed under a variable travel authorization.
 4. New Employees who have not yet established a travel record will also be reimbursed on a variable rate until they are approved for a fixed monthly reimbursement.

- a. A Travel Expense Request should be prepared and submitted for new Employees, who will be traveling, as soon as they start working.
- 5. For each period, which cannot be longer than one month, a Travel Expense Voucher must be completed, signed by Employee, signed by the appropriate supervisor, and forwarded to Finance for payment.
- c. Travel on County business to and from an adjacent or nearby County for less than one (1) day, if only mileage, tolls, parking, transit, and/or phone expenses are sought for reimbursement, shall be considered the same as in-county travel for any County employee.
 - 1. However, if reimbursement is sought for lodging, meals, or educational expense, such must be handled as out-of-county travel for the County employee.

15.3 OUT OF COUNTY TRAVEL AUTHORIZATION

When it is necessary for a County employee to travel out-of-county in the course of County business, such travel must be approved in advance.

- a. A Department must request approval and authorization simultaneously when the necessity of the travel becomes evident.
- b. To obtain immediate authorization for an out-of-county travel, a Department must prepare a TRAVEL EXPENSE REQUEST FORM.
- c. A TRAVEL VOUCHER FORM shall also be prepared for the employee's travel reimbursement and submitted to the Finance Department.
 - 1. Section 15.7 of this manual will apply to the preparation and submission of the TRAVEL VOUCHER FORM.
 - 2. On such forms, the employee and/or any related registration, tuition, etc. will be listed as the vendors.
- d. After preparation, the TRAVEL EXPENSE REQUEST and TRAVEL VOUCHER forms must be signed by the Department Director.
- e. The appropriate levels of authorization for a TRAVEL EXPENSE REQUEST FORM are as follows:
 - 1. Upon approval by the Employee's Department Director, the County Administrator may authorize any in or out-of-state employee travel.
 - 2. The Board of County Commissioners shall authorize annually out-of-state travel for the County Administrator and the Board of County Commissioners regardless of cost.
- f. After authorization, the TRAVEL EXPENSE REQUEST form will be forwarded to the Finance Department.
- g. Travel approval may be obtained after the departure date in the following cases:
 - 1. Due to emergency or unforeseen circumstances, travel was necessary, and it was not possible to obtain prior approval.
 - 2. Due to last minute change, an alternate employee must substitute for another employee on an already approved travel.
 - 3. In such cases, the Department Director must seek and obtain verbal approval from the appropriate Authorizing Official prior to travel departure.

4. Afterward, the Department will still be responsible for following, as soon as possible, the procedure outlined above for preparing a TRAVEL EXPENSE REQUEST FORM and forwarding them to the Finance Department.
5. The appropriate Authorizing Official must certify that verbal approval was given for the trip, and otherwise, process it in the same manner as a regular request.
- h. The allowable reimbursement for out-of-county travel will be the approved mileage rate for miles actually traveled when utilizing a personal vehicle, common carrier fares, automobile rental, tolls, taxi or transit fares, parking fees, private charters, lodging, meals, phone and telegraph fees, and conference fees.
1. All Private Charters must be authorized in advance by the County Administrator.

15.4 TRAVEL ARRANGEMENTS

The Traveling Employee, or their Department, will be responsible for making the appropriate travel arrangements for Out- of-County Travel.

- a. If a travel expense is to be paid directly to an outside vendor by the County, rather than paid through an employee reimbursement, the arrangements may be submitted to the Finance Department.
1. When such arrangements are to be made, the submitting Department will prepare the Travel Expense Report and submit them to the Finance Department.

15.5 TRAVEL ADVANCES

It shall be County policy to limit travel advances; however, they may be made as follows:

- a. Travel advances may be issued to a County Employee when specifically authorized by the County Administrator for hardship cases or cases where an Employee will be away from home for five or more days.
- b. Travel advances shall be issued by completing a Purchase Confirmation Letter form and submitting it to the Finance Department, along with required supporting documentation.

15.6 TRAVEL REIMBURSEMENT CLAIMS

To obtain Reimbursement for Travel Expenses, other than for a fixed monthly allowance, a County Employee shall prepare, through their Department, a TRAVEL VOUCHER FORM and submit it to the Finance Department.

- a. For in-county travel, the form may be submitted monthly for reimbursement, but need not be submitted every month. However, the form must be submitted at the end of the fiscal year for any reimbursement claimed up to the end of the fiscal year.
- b. For out-of-county travel, the form shall be submitted after the completion of the out-of-county trip.
- c. The TRAVEL VOUCHER form will serve as the employee's invoice for their reimbursable travel expenses and must be supported by the original receipts showing proof of the expenses claimed and incurred unless the employee requests per diem reimbursement in accordance with Section 112.061(b), Florida Statutes.
1. The form must be signed by both the employee claiming the reimbursement and their Department Director. If a Department Director claims reimbursement, the form must be signed by the Department Director and the County Administrator.

- d. After receiving the TRAVEL VOUCHER with the required supporting documentation, and after appropriate pre-audit review, the Finance Department will prepare the reimbursement payment for the employee.

15.7 EDUCATIONAL EXPENSES AUTHORIZATION

When properly authorized, educational expenses or reimbursements for outside training for County employees may be paid from County funds.

- a. For authorization and expense purposes, outside training shall be classified into 2 categories:
 - 1. Educational Leave - for outside training during work hours when an employee is specifically authorized and paid for attending such training.
 - 2. Tuition Assistance - for outside training after work hours when an employee optionally pursues a training objective on his own time.
- b. For an educational leave, upon proper authorization, the County will assume an obligation to pay all associated cost of the training including payroll, education expenses, and travel.
- c. For tuition assistance, upon proper authorization, as per the rules and procedures of the Board of County Commissioners, the County will assume an obligation under its EMPLOYEE TUITION REFUND PROGRAM.
- d. To authorize educational expenses or reimbursements, an outside training application request must be submitted by an employee to his Department Director prior to enrollment in the training program.
 - 1. The application must be approved by the Department Director and then forwarded to the County Administrator.
 - 2. After approval by the County Administrator, a copy of the application will be submitted to the Purchasing Department and another copy returned to the submitting Department.
- e. Educational expenses and reimbursements will be handled the same as outside purchases under Section 5 and 6.
 - 1. After approval of the request, the Department will prepare a REQUISITION form and submit it to the Purchasing Department.
 - a. On such forms, the expenses or reimbursements will be charged to the departmental accounts "Educational Expenses."
 - b. On such forms, the employee will be listed as the vendor for any reimbursable expenses, other than travel expenses, or for a tuition refund.
 - 2. The employee or their department will be responsible for making all appropriate arrangements for the training.
 - 3. Any travel expenses associated with an educational leave must be handled separately as per Section 15.2, 15.3, and 15.4.
- f. The Purchasing Department will be responsible for preparing a PURCHASE ORDER form to encumber all properly authorized educational reimbursements, arrangements, and refunds.

15.8 EDUCATIONAL EXPENSE CLAIMS

For Educational Reimbursement Claims, a County employee shall, through their Department, complete the "Payment Request" section of their approved request for training.

- a. The form will serve as the employee's invoice for their reimbursable educational expense or tuition refund and must be supported by original receipts showing proof of the expenses claimed and incurred.
 1. The form must be signed by both the employee claiming the reimbursement or tuition refund and the Department Director.
 2. The form must indicate the number of the encumbered PURCHASE ORDER form for the employee's reimbursable expenses or tuition refund.
 3. For a tuition refund, the employee must also submit a grade report for the courses taken for which the tuition refund is sought.
- b. The payment request will be forwarded to the County Administrator for approval.
 1. After approval by the County Administrator, the request will be forwarded to the Finance Department.
- c. After receiving the payment request with the required approvals and supporting documentation, and after appropriate pre-audit review, the Finance Department will prepare the reimbursement or refund for the employee.
 1. The reimbursement or refund will be charged against the encumbered PURCHASE ORDER by the employee's claim.

15.9 ORGANIZATIONAL MEMBERSHIPS

The County recognizes the necessity of membership to various professional groups and maintains the policy of paying membership costs for approved organizations.

- a. As part of the budget preparation process, a Department shall budget for organizational memberships as appropriate.
- b. To authorize an organizational membership, a Department will prepare a Check Request form and submit it to the Finance Department for the membership dues.

15.10 SUBSCRIPTIONS

The County recognizes the necessity of subscribing to various professional trade journals, and maintains the policy of paying subscription costs for approved publications. For purpose of this policy, a professional publication is any publication of a work-related professional nature providing necessary information.

- a. Payment for subscriptions shall be done by a Check Request form, as per Section 5.3.

15.11 PAYMENT TO OUTSIDE VENDORS

Payments to outside vendors for travel and educational expenses, for organizational memberships, and for subscription fees will be handled according to Section 5.3.

SECTION 16 - MISCELLANEOUS OBLIGATIONS

16.1 MISCELLANEOUS TRANSACTIONS

It is recognized that there are certain transactions which are unique in nature, and therefore, cannot be handled through competitive bargaining and negotiations. These transactions shall be referred to as MISCELLANEOUS OBLIGATIONS, and shall be grouped as follows:

- a. The Acquisition of Real Property, such as land, easements, rights-of-way, existing buildings, structures, or improvements, resulting from negotiations and approved by the Board of County Commissioners.
- b. The payment of court-ordered fines and judgments, resulting from litigation, the County is a party to.
- c. Any exceptional disbursement as authorized by the Board of County Commissioners.
- d. The payment of court-ordered fees, resulting from the judicial process, processed by the Clerk of the Court, and recorded against the budget for such fees. For such fees, the County is merely the public taxing agency responsible for supporting the judicial system.
- e. Cash transfers and investment transactions for fiscal management purposes, processed through the Finance Department, and against general ledger accounts.
- f. The payment of accrued or current liabilities already charged against the budget, processed through the Finance Department, and recorded against general ledger accounts.
- g. Debt service payments processed by the Finance Department and charged against budgetary accounts.
- h. Refunds of current or prior year revenues charged against budgetary accounts.
- i. Grant disbursements to federal, state, or local government agencies, or to private groups or agencies.
- j. Disbursements to County officers of funds budgeted for their requisition and use.
- k. Inter-fund or interdepartmental transfers or reimbursements within or among County Departments.
- l. Aid disbursements for JPTA participants, housing and rental subsidies, hospital indigent payments, or other welfare and medical assistance.
 1. Payments for insurance including but not limited to liability, property, medical, and workers compensation insurance or payments from any loss fund established for such purpose.
 2. Payments for utilities, advertising, toll charges, gas cards, and postage.

16.2 PROCEDURE FOR MISCELLANEOUS OBLIGATIONS

Miscellaneous obligations will be processed in the Finance Department.

- a. The Finance Department will make the appropriate disbursements for such obligations.
- b. The Finance Director will establish the procedures that the Director deems appropriate, for the processing of such disbursements.
- c. The authorization levels and requirements for miscellaneous obligations when submitted on a Check Request form are as follows:
 1. For the acquisition of real property, the County Administrator must certify the Board approval of the acquisition and the date of the Board's action.

2. For grant disbursements to private groups or agencies, there must be grant agreement approval by the Board of County Commissioners and the grantee. Such a Grant Agreement will be treated the same as a Contract under Section 8 of this manual.
3. The adopted or amended budget shall be considered as authorization for debt service obligations, for County officers requisitions, and for grant disbursements to other government agencies.
4. For the payment of court-ordered fines or judgments, in addition to proper authorization, the submitting Department must indicate the case title and number on the form.

SECTION 17 - MATERIALS CENTER

17.1 MATERIALS CENTER

The Materials Center shall serve as the central reproduction facility for the County when reproducing large documents and for high volume reproduction.

- a. The purchasing Department will publish and distribute to all County Departments a Materials Center Price List showing the charge for each service available from the Materials Center.
- b. New items may be added to the Materials Center Price List as need arises depending upon demand.
- c. The Material Center Price List will be updated periodically either by supplemental sheets or by the issuance of an addendum to the list.

17.2 AUTHORIZATION FOR MATERIALS CENTER USE

To authorize the use of the Materials Center, a Department Director/Division Manager must prepare and submit to the Materials Center a list of authorized employees who may charge items to the Department.

- a. This list must be renewed at least annually.

For billing purposes (inter-fund transactions), the Department must also prepare and submit a Reproduction Request Form to the Materials Center to reproduce items.

17.3 SCHEDULING WORK AT THE MATERIALS CENTER

Any authorized Departmental Employee may request reproduction services as needed item from the Materials Center by telephone or in person. Such orders shall be followed up by a Reproduction Request Form.

- a. The Materials Center will deliver items to Departments as time permits. Otherwise, Departments will have to pick up items from the Materials Center.
- b. Any employee receiving items from the Materials Center will sign for each withdrawal, at that time, on the bottom of the Reproduction Request Form. The Materials Center will retain the Request Form for each department's printing request.

17.4 PAYMENT FOR MATERIALS CENTER ORDERS

A Department agrees to pay for work done by the Materials Center at the time the work is performed. This consent shall be implied by the completion and submittal of the Reproduction Request Form, and subsequent signature upon receipt of reproduced items.

- a. Upon receipt of the Reproduction Request Form for printing services, the Materials Center shall bill the Requesting Department on a monthly basis.
- b. The Department will indicate on the Reproduction Request Form the appropriate accounts to be charged for the monthly transaction.
- c. Each Department will receive a monthly report of all Materials Center transactions for verification.
- d. Any disputed charge will be brought to the attention of the Purchasing Director. The Purchasing Director shall resolve any disputed items and make adjustments to the billings as is necessary.

SECTION 18 - CAPITAL ASSETS

18.1 COUNTY OWNED PERSONAL PROPERTY

All equipment not incorporated into a facility and in excess of the threshold \$750.00 (established by Section 274.02, Florida Statutes) are considered Tangible Personal Property. All land, building, and improvements are considered real property. Both Tangible Personal Property and real property are considered capital assets and purchases of these types of items will be approved by the Board of County Commissioners.

18.2 PROCEDURE FOR ACQUISITION OF CAPITAL ASSETS

All purchases will follow the procedures outlined:

- A. After a department determines a need for a capital asset, they will obtain approval to purchase the item during the annual budget preparation or at a Board of County Commissioners public meeting. The Requesting Department shall request the assistance of the Purchasing Department to establish a budget for the item.
 - 1. Information Technology may purchase Tangible Personal Property as approved by the Board of County Commissioners.
- B. After Board approval is obtained, the Requesting Department will enter a requisition into the computer system and forward a hard copy to the Purchasing Department with the required authorization. The requisition shall contain a detailed description of the item, Equipment Request number assigned by OMB (if applicable) and the date of Board approval.
- C. If the capital asset increases in cost after budgeting approval by the Board, the Department may purchase the asset with County Administrator approval provided that the cost does not exceed the Department's capital asset budget. In addition, the Purchasing Director shall provide quarterly reports (Equipment only) to the Board and the County Administrator if any equipment is purchased over the budgeted amount. The purchase of a new capital asset over \$750.00 that has not received Board budgetary approval shall require Board approval before purchase.
- D. After receiving a personal property item, the Requesting Department will send the invoice (with payment authorization), receiving copy of the Purchase Order, Property Acquisition/Disposition/Transfer Form and a copy of Board approval to the Finance Department (Equipment only). The Capital Assets Custodian (Purchasing Department) will place an inventory tag on all Tangible Personal Property.
- E. Annually the Capital Assets Custodian (Purchasing Department) will physically inventory all Tangible Personal Property, update the inventory (transfers and purchases) and dispose of surplus property in accordance with current state and local laws. Real property will be inventoried as outlined in procedures established by the Finance Department.
- F. Donated property with a value in excess of \$750.00 will be included in the requirements of this Section.

18.3 PROCEDURE FOR THE TRANSFER OF CAPITAL ASSETS

All transfers of capital assets between departments must be approved by the County Administrator or his designee. Transfers within a department must be approved by the Department Director.

- A. All transfers of tangible personal property must be submitted to the Purchasing Department and all transfers of real property must be submitted to the Office of

Management and Budget (OMB), on a Property Acquisition/Disposition/Transfer Form with the proper authorization.

18.4 PROCEDURE FOR THE DISPOSITION OF CAPITAL ASSETS

Before an item of tangible personal property is removed from service, the Purchasing Department must be notified of the Department's desire to dispose of the item. Purchasing will instruct the Requesting Department on where to deliver the equipment. Before a real property item is removed from service, OMB must be notified of the Department's desire to dispose of the item. At that time, OMB will provide further instructions to the requesting department. All dispositions of capital assets must be approved by the Department Director.

- A. All dispositions of tangible personal property must be submitted to the Purchasing Department and all dispositions of real property must be submitted to OMB, on a Property Acquisition/Disposition/Transfer Form with the proper authorization.
- B. The Purchasing Department and/or OMB will attempt to find another department with a need for the items to be disposed of prior to removing the item from the Capital Asset Inventory.
- C. The Purchasing Department and/or OMB will seek approval from the Board of County Commissioners to remove the item from the Capital Asset Inventory if the item cannot be utilized elsewhere in the County.
- D. The item will be disposed of in accordance with Section 274.06, Florida Statutes.
- E. Tangible personal property and real property paid for by a grant must require special treatment for transfers and disposition. The user department is responsible to ensure that these items are handled in the proper manner.

18.5 PROPERTY LESS THAN \$750.00

It is the duty and responsibility for all departments to retain a record of all items purchased that cost between \$50.00 and \$750.00. A copy of this record is to be sent to the Purchasing Department. At the end of each Fiscal Year, the list is to be physically verified and the additions, deletions, or missing items are to be recorded. A copy of this physical inventory, along with an explanation of any discrepancy is to be sent to the Purchasing Department.

18.6 ASSET CAPITALIZATION GUIDELINES

These guidelines are being provided to assist management when making the determination between which asset related expenditures are/are not recommended to be capitalized in accordance with governing laws, rules and regulations. The following guidelines, except where noted, apply equally to both Governmental Funds (funds that start with the #001, 1, 2, 3 or 6) and Proprietary Funds (funds that start with the #4 or 5). Definitions are provided as needed.

- A. New Assets - Consistent with the threshold limit set forth in Chapter 274.02(1) F.S. and addressed in Section 18.1 of this Purchasing Manual, costs of \$750.00 or more incurred to acquire assets or to make assets ready for their intended use should be capitalized.
- B. Additions - Non-transitory additions to previously capitalized assets that meet the capitalization requirements of 18.6 (A) above, should be capitalized as add-on's to the existing asset/property record. However, transitory additions to previously capitalized assets that meet the capitalization requirements of 18.6(A) above, should be capitalized as a separate asset/property record.

- C. Replacements - The cost to replace an entire asset in a Proprietary Fund should be capitalized if it meets the capitalization requirements of 18.6(A) above, old costs are removed and new costs are capitalized. The replacement cost of add-ons or major components, for Proprietary Funds, are recommended for capitalization if they meet the capitalization requirements above and at least one of the following criteria:

1. Extend the useful life of an asset
2. Increase the quantity of services provided by an asset
3. Increase the quality of services provided by an asset.

Two methods are recommended to recognize these costs:

1. Substitution Method - remove the old costs and associated accumulated depreciation and replace with the new.
2. Capitalization of New Cost Method - The new costs are capitalized to the original asset account without removing the old costs. This method may be appropriate when it is reasonable to assume that the original cost has been reduced to an insignificant amount through depreciation charges. In practice, this method is used when original component costs are indeterminable.

The cost to replace an entire asset in a Governmental Fund should be capitalized if it meets the capitalization requirements above, old costs are removed and new costs are capitalized. However, replacement costs for add-on's or major components should be treated as non-capital expenditures, unless the costs significantly impacts the carrying value of the asset. In this case, remove the old cost associated with the add-on or major component being replaced and capitalize the new cost provided the new cost meets the capitalization requirements above.

- D. Repairs & Maintenance - Costs that are associated with repairs and maintenance (i.e. dredging, resurfacing, beach nourishment, utilities fieldwork) are not recommended for capitalization. However, major repairs that provide additional service benefits for future periods are recommended for capitalization in Proprietary Funds, if they meet the capitalization requirements of 18.6 (A) above.

E. OVERVIEW OF CAPITALIZATION GUIDELINES:

Govt. Fund Accts.		Proprietary Fund Accts.
56XXXX	New Asset Costs (If \$750.00 or more)	56XXXXX
56XXXX	Cost of Additions (If \$750.00 or more) Perm. - Add-on Non-Perm - Sep. Asset	56XXXX
5XXXXX	Replacement cost of Add-on Non - Cap. # or Major Component (If \$750.00 or more)	56XXXX
56XXXX	Cost to Replacement Asset	56XXXX

Note: Acct. #s that start with 56 are capital expenditures. If the 2nd digit is anything other than a 6, the expenditure is non-capital.

18.7 MODULAR FURNITURE

This section has been added to provide additional guidance as it specifically relates to modular furniture. However, the guidelines established in Section 18.6 (Asset Capitalization) of this Purchasing Manual also apply.

- A. In accordance with Auditor General recommendations, it is recommended that modular furniture be capitalized as part of the building when it is management's intent to have it permanently installed.
- B. When this is not the case, it should be capitalized as equipment and furniture, by individual unit or by lot.

18.8 HARDWARE COSTS

Capitalization guidelines are set forth in Section 18.6 (Asset Capitalization) of this Purchasing Manual.

- A. This section has been added to provide additional guidance as it specifically relates to computer hardware.

COMPUTER HARDWARE CAPITALIZATION:

Govt. Fund Accts.		Proprietary Fund Accts.
564000	New Equipment (If \$750.00 or more)	564000
564000	Cost of Additions/Upgrades (If \$750.00 or more) Perm. - Add-on NonPerm - Sep. Asset	564000
551501	Cost of Additions (If Less than \$750.00)	551501
551501	Replacement/Upgrade of Add-on or Major Component (If \$750.00 or more)	564000
564000	Cost to Replacement Asset	564000
B. Disposition of Computer Hardware - The procedures for the disposition of County property are addressed and should be followed as outlined in Section 18.4 of this Purchasing Manual.		

SECTION 19 - INTANGIBLE ASSETS

19.1 Software Costs

These guidelines are being provided to assist management when making the determination between which asset related expenditures are/are not recommended to be capitalized in accordance with governing laws, rules and regulations. The following guidelines apply equally to both Governmental & Proprietary Funds except where noted.

A. New Assets - Consistent with the threshold limit set forth in Section 274.02(1), F.S., costs of \$750.00 or more incurred to acquire assets (not internally developed) or to make an asset ready for its intended use should be capitalized.

B. Upgrades - Upgrades to existing software that meet the capitalization requirements of 19.1(A) above should also be capitalized. Remove old costs and capitalize new. If old remains in use, capitalize new costs separately.

C. This section has been added to provide additional guidance as it specifically relates to computer software capitalization.

SOFTWARE CAPITALIZATION:

Govt. Fund Accts.		Proprietary Fund Accts.
564000	Original Software if Purchased with PC or System (Aggregate \$750.00 or more)	564000
OR		
568000	(If Purchased Separately and Value is \$750.00 or more)	568000
568000	Add New Software to PC or System (Capitalize if \$750.00 or more)	568000
OR		
551501	(Expense if under \$750.00)	551501
568000	Upgrades to Software (\$750.00 or more)	568000